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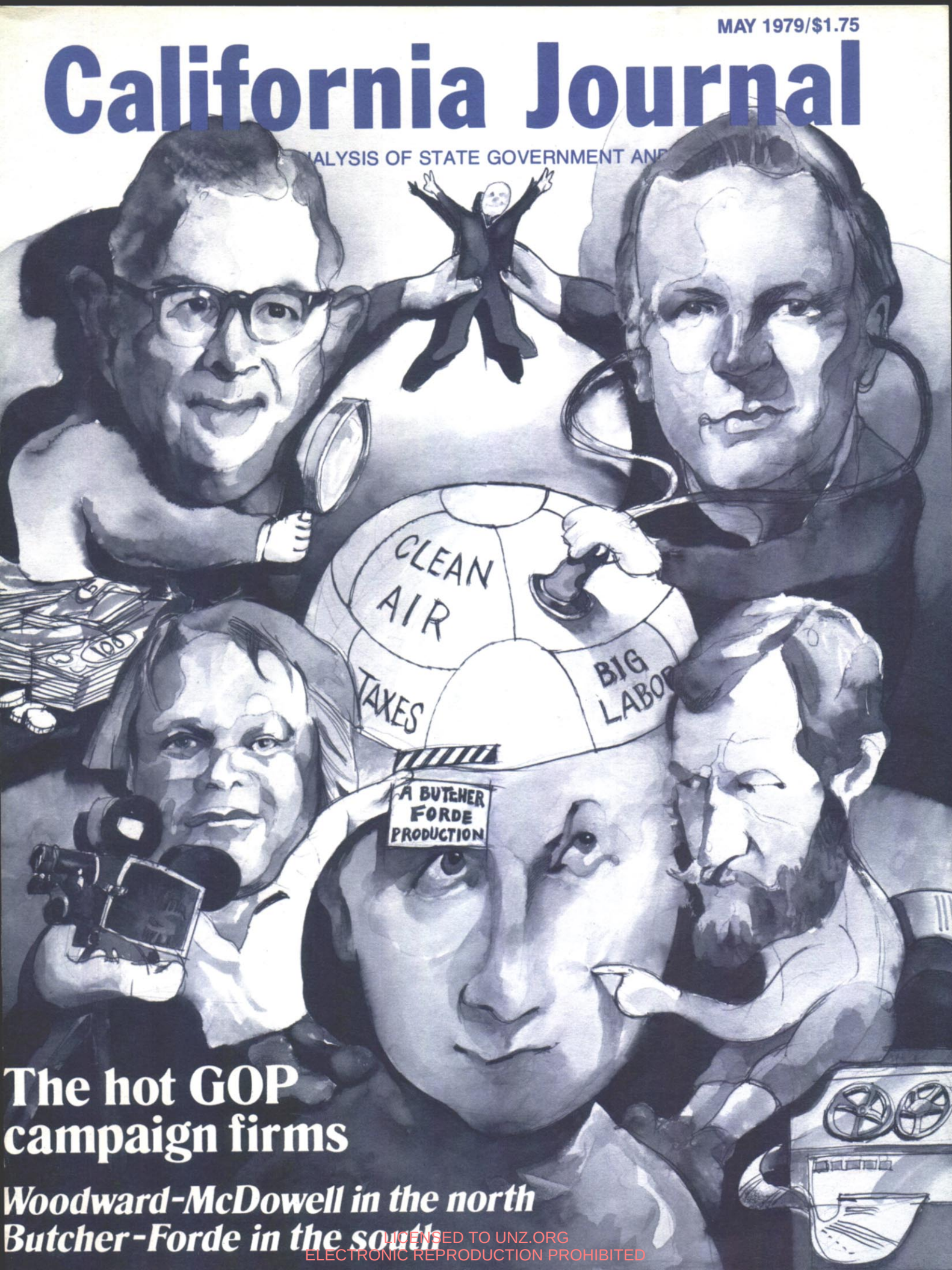
ALYSIS OF STATE GOVERNMENT AN



The hot GOP campaign firms

Woodward-McDowell in the north
Butcher-Forde in the south

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Personal

PERSPECTIVE

By Ed Salzman

'No Vacancy'

Remember how Ed Davis and other law-enforcement officials were screaming not long ago that the penal policies of the Brown Administration would produce an exodus of dangerous criminals from the state prisons into the cities of California? Remember how that appeal was translated into a stiffening of the then-new determinate sentencing act even before it had a chance to go into effect?

The outcome: State penal institutions are now so full of felons that two prisoners are being housed in cells built for one.

Institutions for adults have just about reached capacity, and the Youth Authority is only a few months away from reaching the same "no vacancy" status. At that point, will the state put three prisoners in a cell?

Last year, some 8,750 convicted felons were sent to prison by the judges of California — about one out of three offenders. During the Reagan Administration the ratio was about one in 10. The new community release board appointed by Jerry Brown has proved reluctant to release dangerous criminals still on indeterminate sentences.

Another important factor: Proposition 13 has made it profitable for counties to ship criminals to state institutions because the cost of local incarceration and probation can be avoided. In the old days, the state used to reward counties for keeping offenders under the defunct probation-subsidy system. Probation officers have been given larger caseloads, thereby increasing the risk of violence to the community. The Gann "Spirit of 13" initiative placing limits on government spending will provide another incentive for judges (who are county employees) to ship felons to state prison instead of county jails.

At some point, and it may not be far away, federal courts may well order the state to eliminate overcrowding of jails, just as federal judges have done in some southern states. What then? The obvious answer is to build new prisons. Governor Brown has proposed them, but the Legislature has been reluctant to appropriate the funds. What city wants a San Quentin at its doorsteps? Even if lawmakers do provide the money, it will probably be four or five years before the first prisoner could be admitted.

There are other alternatives — use of conservation camps or tent cities for lower-risk prisoners, state lease of surplus local cell space, reduction in prison terms, reestablishment of the probation-subsidy program.

The state cannot control prisoner intake because that is the domain of superior court judges (who are aware of the fiscal facts of life). And it cannot control outflow because of the determinate sentencing act. These factors have brought prison conditions to the critical stage. Cutbacks in public spending have made supervision of felons on parole or probation virtually non-existent.

The crisis came, all right, but just the opposite of what was predicted. And those in government responsible for the unprecedented crackdown on criminals are Jerry Brown, the 1977-78 Legislature, the state's judges, and the community release board — the precise targets of those forecasting near-empty prisons in 1979.

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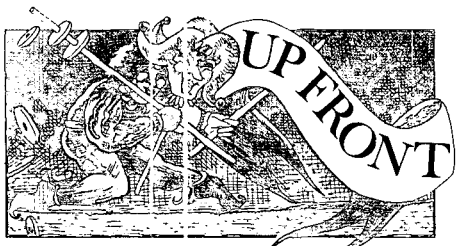

Heard at a meeting of public employees: The booze break was described in a matter-of-fact manner as "the attitude adjustment period."

Qualification of the Gann spending-limitation initiative has had precisely the opposite from the intended effect in many communities. The word has spread among local officials that the best defense against the "Spirit of 13" measure is to spend as much as possible, even depleting reserves, in this fiscal year. The reason is that expenditures in future years will be based on this year's appropriations. Thus, the more an agency spends this year the more it will be able to spend in the future.

Prime credit or blame for the commotion over the *Tanner* use-a-gun, go-to-prison law should go to George Nicholson, energetic executive director of the California District Attorneys Association. Almost a year ago, Nicholson peered into his crystal ball and predicted that the Supreme Court would delay a decision in the case.

Another political-coverage shakeup at the *Los Angeles Times:* Sacramento bureau chief George Skelton is headed for Los Angeles (for the second time) to replace political-reporter coordinator Bill Stall, who is being assigned to the Washington Bureau.

Some local officials are up in arms over an Urban Strategy Action Agenda developed by the Brown Administration's Office of Planning and Research. The document would move the effort to revitalize older cities from a voluntary program to a state mandate controlled by social planners who know little about economics, they charge. The agenda is marked "for discussion purposes only."

Quote from Dave Ross, president of the California District Attorneys Association, in *Los Angeles Lawyer* magazine: "At some point, a trial court judge should stand up and say, 'Wait one minute, I am sworn to uphold the Constitution. However, I believe I have a duty to a higher law, and I cannot in good conscience permit this known murderer to go free.' "

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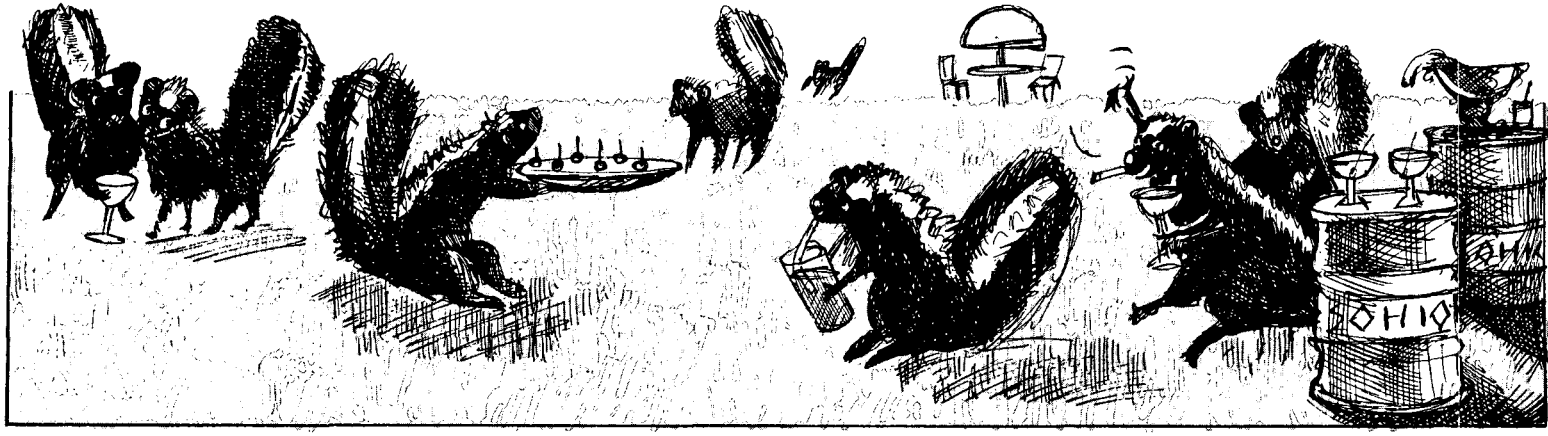

NOTHING BUT SKUNKS AT THE LAWN PARTY

Who's to blame for the Sohio fiasco?

By George Baker

He sat at the elongated table, his hands folded neatly in front of him, listening to the drumbeat of criticism by Governor Edmund G. Brown Jr. As Brown occasionally punctuated his tart remarks with a sweep of the hand toward him, crisply choreographed for the television cameras, Chairman Alton W. Whitehouse Jr. of Standard Oil Company of Ohio had had enough.

"We've always been the skunk at the lawn party," Whitehouse told the Senate Energy Committee. If Brown wanted to hunt for more skunks he should look elsewhere, he said. Sohio was pulling out of the controversial Pactex pipeline because "we've had it up to here."

That Senate hearing in late March seemed to sum up the stormy, four-year history of the on-again, off-again $1 billion project to transport surplus Alaskan oil from Long Beach to Midland, Texas, for Midwest distribution. Brown lashed out at the Carter Administration and Sohio, sparred with several senators and blamed everyone but himself and the Queen of England for the apparent failure of the project.

Whitehouse dryly recited the trouble his company had encountered with the Brown Administration in receiving permits and licenses, tossed in some new conditions for construction and underscored the non-philanthropic nature of multi-national oil companies when he said the 800-mile-long pipeline was "not a public works project."

Energy Secretary James R. Schlesinger, puffing on his ever-present pipe, remarked in solemn tones that yes, the pipeline was still in the national interest, and yes, that Brown was primarily at fault for its demise. A few senators, who view Brown even less favorably than they do Carter, took potshots at the Democratic governor, accusing him of demagoguery and injecting presidential politics into the issue.

Bearing the blame

If one wants to find skunks they aren't too difficult to locate. Congress, the Brown Administration, Sohio and the Carter Administration all bear some of the blame for the slow death of the project. But the most conspicuous appears to have been Brown, who was done in by his artful dodger, Tom Quinn, the governor's top environmental adviser and top political strategist. In the convoluted history of Sohio, the dual roles became noticeably intertwined. Quinn appears to have overplayed his hand while trying to insulate himself and Brown from any of the blame which might attach to the potential political fallout.

The entire episode is reminiscent of the collapse of plans for a Dow petrochemical plant in the San Joaquin Delta which was scrubbed in 1977 after the company cited costs of meeting state environmental laws. That gave Brown a black eye in the business community and led to the rewriting of state laws to speed up the processing of permits.

Spigot for the Midwest

Those laws didn't apply to Sohio, but perhaps it wouldn't have made any difference because the project has been more a matter of politics than economics. From the start, the terminal-pipeline was a tarbaby which offered little direct benefit for California consumers, but which was dearly wanted by Sohio and Midwest lawmakers.

California would serve as the spigot through which oil which couldn't be used in the state would pour into the rest of the county. It would save Sohio about $90 million a year in transportation costs and provide a more reliable delivery system than tankers.

Quinn perceived — quite rightly, it turned out — that the project could be used to apply leverage on the Carter Administration and to showcase Brown's ability to attract business without harming the environment. The project would befoul the Long Beach area which already had some of the dirtiest air in the Los Angeles Basin. But if Quinn could score a breakthrough in cleaning up the air while landing the project, Brown would have a signal triumph to exploit in his run for the presidency in 1980.

For more than two years of tugging and hauling, Quinn sought to achieve a trade-off which would permit construction while lessening the smog levels. But he was always mindful that the agreement was fragile at best, and he sought to insulate the state from any blame if it shattered. Last summer, after federal intervention, hard-nosed bargaining with Quinn and countless skirmishes on air quality, Sohio agreed to buy about $80 million worth of flue scrubbers and other equipment and install them on a Southern California Edison power plant in the Long Beach area.

George Baker is a Washington correspondent for the McClatchy Newspapers and a frequent contributor to the Journal.

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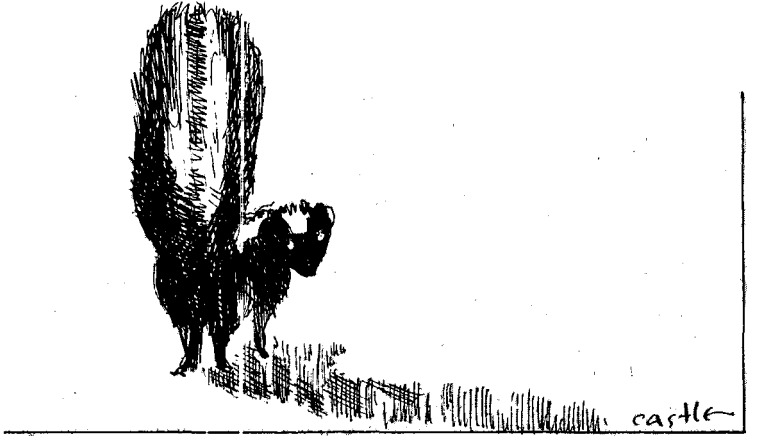

The scrubbers, which would suppress sulfur dioxide and nitrogen oxide, meant that on the smoggiest day of the year the air would be cleaner with the project than before it was constructed. It was a highly unusual pact between Sohio and Edison and one which involved largely unproven scrubbers and technology.

Indeed, it may not have been necessary, according to several California officials who are some of Brown's most vocal critics. Alfred McCandless, chairman of the South Coast Air Quality Management District which oversees smog rules in Southern California, has objected to the complicated trade-off package. Quinn's Air Resources Board (ARB), was the "biggest time killer" of the project, he says, because of Quinn's insistance on the trade-off package.

McCandless and the district are more inclined to allow Sohio to finance the use of low sulfur crude oil at a local power plant which would offset pollution from the project. This would have been a quicker and simpler solution, although not as dramatic as Quinn's.

Quinn and McCandless disagree over the effectiveness of scrubbers. And Quinn claims that in the future the Air Resources Board may require the use of low-sulfur fuel. In that event, he emphasizes, there would really not be any trade-off under the district's proposed alternative.

Despite such disagreements, the project seemed to be lurching toward approval with a handful of permits, principally one from the air quality district, still required before groundbreaking could begin. All that came unstuck on March 13th when Whitehouse, a slender, red-faced executive, called a surprise press conference in Cleveland to announce that Sohio was abandoning the project.

"The project-killing delays were endless government permit procedures, pending and threatened litigation and the prospective unavailability of two natural gas pipelines which Sohio proposed to convert to the oil pipeline," he said. "The lesson . . . is that no major energy project can be seriously considered in many areas of the country by industry today unless government processes are changed to provide answers within reasonable time periods."

Continued delays, Whitehouse said, had diminished the profitability of the project because many of the peak years of production from the North Slope would have passed by the time the project was ready for use.

Obscuring the issue

Whitehouse seemed intent on killing the project. But there was an air of desperation in his rhetoric, a hint that he was taking one last chance at prodding the California Legislature into shielding his company from time-consuming lawsuits and speeding up the permit process. Moreover, Whitehouse may have been taking one last plunge at maneuvering for a swap of Alaskan oil with Japan, a trade which would net it more money than the pipeline.

Brown, Quinn and others were stunned, for Whitehouse was linking them to the very things politicans want no part of these days — red tape, bloated bureaucracies and over-regulation. They were stunned for one day, although it had become clear in the preceding two months that Sohio was seriously considering bailing out.

Brown emerged from his silence with a blast at the company's foreign domination, an attack sure to generate publicity and obscure the issues. "No foreign-dominated corporation can ride roughshod over the health of the people of this state," he told reporters. "I'm not going to be pushed around by a foreign company that wants a few pennies of extra profit.

"All we're asking is a few pennies a barrel to clean up the garbage and toxic material that otherwise would be generated and could be removed by these trade-offs," the Governor remarked.

There followed a series of hasty meetings trying to breathe life into the quivering body. But more than once Whitehouse declared it would take a "miracle" to resurrect the project, and in angry tones he said, "I'll just blow the whistle and say the hell with it."

The state Legislature seems unwilling to short-circuit legal attacks or to waive all environmental safeguards, once the permits are obtained. And even if Congress moves to override state anti-pollution standards and circumscribed federal or state legal challenges, which is unlikely, pure economics appear to have doomed the plan.

While the air quality district reconsiders Sohio's application and bucks it up to Quinn's ARB, Brown has moved on to other things, including nuclear power, New Hampshire, Linda Ronstadt and Africa. But the issue will recur, if only because of his presidential ambitions. His handling of the matter is surely to be an issue at a time when people believe government is over-regulating business and people's lives.

The fiasco's beginning

It was Congress which initiated the entire fiasco in the late 1960's when it brushed aside critics, went along with the oil companies — including Sohio — and authorized construction of the Trans-Alaska Pipeline. Critics, who since have been proven right, warned that oil was needed, not on the West Coast, but east of the Rockies. They insisted that overland pipelines from Alaska through Canada to the Midwest were the best means of getting it there. With the pipeline outlet at Valdez, the only way to move the oil out of Alaska was by tanker. No matter, said the oil companies; the West Coast could absorb all the production.

But following the 1973-74 Arab oil embargo, projected demand slipped and conservation took hold. Also, California's oil refineries, which specialize in gasoline and aviation fuel, were not equipped to handle the heavier Alaskan crude.

Currently the pipeline is delivering just over 1.2 million barrels per day, with 850,000 barrels being absorbed on the West Coast and 400,000 barrels shipped by tanker through the Panama Canal to the Texas Gulf Coast and the Virgin Islands.

It was in January 1975 that Sohio announced plans to build the Pactex pipeline. As plans eventually unfolded, the company would build a tanker facility in Long Beach with two berths, and storage tanks on and near the port capable of handling up to 500,000 barrels a day. Two natural gas pipelines owned by El Paso Natural Gas Company would be converted to oil usage and an additional 275 miles of line would be constructed.

The project, with an original price tag of $500 million, would be ready for use by 1979 when Prudhoe Bay production hit its peak. There would be 3,100 construction jobs with a $60 million payroll over two years and 754 permanent operating jobs, according to a Long Beach official.

Sohio wanted the pipeline because it could cut its transportation costs through the Panama Canal considerably,

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perhaps up to a dollar a barrel, if the line was used long enough. The company owns 53.2 percent of the oil at the North Slope and has a one-third interest in the Alaskan pipeline. In turn, British Petroleum, Incorporated, which is 51 percent owned by the British government, has a 52 percent interest in Sohio and chooses three of its directors.

Collecting permits

When Sohio announced its pipeline plans, it immediately began to gather the required federal, state and local permits and licences. (Whitehouse, President Carter and a good many lawmakers have made much of the "morass" of 700 permits the company had to obtain. In reality the vast majority of them were routine, such as the right to cross a river or federal land, and were processed according to schedule.)

While the permits were being sought, state and federal, officials prepared the requisite environmental impact reports which were completed on time. But as long as three years ago it was clear that two major stumbling blocks stood in the way:

- ***The natural gas supply.*** The first was the question of whether California would have access to sufficient natural gas supplies if the line bringing gas from Texas was turned over to Sohio.

Time and again Quinn warned Sohio and federal officials, including Schlesinger, that the state could wind up with a shortage of clean-burning gas as early as 1979 if an accommodation was not made. The Carter Administration finally got the message. In late 1977 the President agreed to add a "western leg" to the Alaska Gas Pipeline, thus assuring California access to vast supplies in western Canada and Alaska.

"Up to this time, the attitude of California officials was not favorable to the project," Schlesinger told Congress recently. "After the President's Alaska Gas decision, however, California's position on the project improved."

- ***The pollution problem.*** Quinn and Brown were driving a hard bargain but they weren't through yet. The toughest obstacle was air pollution. The terminal was to be located in one of the worst air pollution areas of the country. Under California law, which is tougher than federal standards of the Clean Air Act, the "terminal and related project activity emissions must be controlled to the greatest degree possible at the source," Schlesigner recounted.

Sohio held a tough line and Quinn refused to budge, but the two finally reached an agreement on the level of emissions, the trade-offs required and the manner of implementing the package. Sohio agreed to reduce pollution elsewhere in the basin by an amount equal to the pollution to be generated at the tanker terminal plus 20 percent, using the smoggiest day of the year as a basis.

During the two years of negotiations, Quinn played a double game, casting himself as both the project's most ardent critic and its potential savior. Newspaper headlines changed alternately from, "Brown Aide Blamed for Oil Port Collapse," to "Brown Aide Turns Upbeat on Sohio Plan." Then as now, the Carter Administration has ducked a direct confrontation with Brown on the issue. Administration officials have discreetly pointed accusing fingers at the Governor and the "maze" of state regulations and laws. But they have not pushed for federal legislation pre-empting California laws. And while saying the pipeline is a necessary component of an efficient energy transportation system, the White House has soft-pedaled any criticism of Brown or Quinn. Perhaps their response is symptomatic of the deeper political problems and uncertain footing of Carter, who is not sure how to handle the eccentric from the West.

Finally, by the summer of last year, Sohio and Southern California Edison worked out the trade-off package. It was cemented in a contract last August, and Brown "anointed it with holy water" in a well-publicized ceremony. Everything appeared to be going smoothly, especially after Long Beach voters gave the terminal a 61 percent vote of confidence in a November referendum. But in December and January, Whitehouse said he began having second thoughts about committing so much money to something that could be delayed considerably.

The underlying reason

Several existing and prospective state lawsuits threatened to delay completion of the pipeline until 1983, by which time many of "the most prolific years" of Alaskan oil production would have passed, he said. That, indeed, seemed to be the underlying reason why Sohio wanted out. But a final determination was delayed for six months in mid-March when U.S. Senator Alan Cranston got all the parties to take one more shot at resolving their differences. Sohio said it would take another look at the project, but officials carefully refused to make any commitments.

Neither Brown nor Whitehouse were optimistic about the outcome, however. This was especially so when the Sohio executive announced a few days later that he wanted to turn responsibility for day-to-day operations of the scrubber program over to someone else to escape any future liability if it didn't work or meet the prescribed standards.

Brown thundered back with "What I hear them (Sohio) suggesting is they want to welch on a written contract. This whole thing is a red herring. All we have here is a covert effort by the company to back out."

But Whitehouse had at least one defender on the Senate committee. Peter Domenici, Republican Senator of New Mexico, shot back at Brown, "I believe the state of California welched. Governor Brown and his air quality board are the welchers."

Welchers or not, the nation has not heard the last of the Sohio project. At some point before the six-month cooling-off period expires, Quinn and the ARB will have to decide whether to grant a permit for the project.

One thing is sure: The federal government won't be underwriting the $1 billion cost of the pipeline. Such a move has been suggested several times by Brown who says it would be appropriate since so many in Washington consider the pipeline to be in the "national interest."

Noting the governor's call for fiscal austerity and a balanced federal budget, Democratic Representative John Dingell of Michigan suggested in response that "perhaps we can arrange a debate sometime of Mr. Brown versus Mr. Brown."

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Woodward and McDowell, keepers of the treasure chest

By Bob Korda

One of the biggest winners in last November's election was the San Francisco-based campaign firm of Woodward and McDowell. The firm successfully managed the $6.2 million treasure chest amassed by the nation's largest tobacco companies in their fight against Proposition 5, the Clean Indoor Air Initiative. Besides that, Woodward and McDowell handled the media responsibilities last year for now-Senator Gordon Humphrey, a Republican, in his major upset of former Democratic Senator Thomas McIntyre in New Hampshire. The firm also did media consulting work for two more winners in last year's national congressional race: Republican Ron Paul in Texas and Dan Crane in Illinois. The firm's only loser last year was Republican congressional hopeful Ed Scott of Colorado.

Woodward and McDowell's successes last year catapulted them toward the top of the nation's Republican campaign firms. The firm's 1978 performance came only two years after it engineered California Senator S.I. Hayakawa's surprise victory over John Tunney. And Woodward and McDowell have already talked to two Republican presidential hopefuls as well as a senator and a governor outside of California, about handling at least part of their 1980 campaigns.

Dick Woodward and Jack McDowell have been running their own firm since 1971. Until then, they were both connected with the Spencer-Roberts organization, a well-known Southern California political campaign firm that disbanded a number of years ago. Their separation from Spencer-Roberts was amicable.

One key to the Woodward-McDowell success story is the two men's differing backgrounds. McDowell, 65, has more then 35 years of newspaper experience. He won a Pulitzer Prize in 1945 and was the political editor of the old *San Francisco Call-Bulletin* for 14 years. Based in Sacramento, McDowell obtained both a sense of how government worked and how the press covered it over those years. In 1969 he went to work with Spencer-Roberts as statewide news director for the Reagan re-election campaign.

Joining forces

Woodward, 45, joined the Spencer-Roberts organization in 1964 to work as an advance man and campus coordinator for the state's Rockefeller-for-President campaign. After a brief stint working for then-Assemblyman George Deukmejian, Woodward was hired for Reagan's 1966 campaign as its Northern California director. In 1968, Woodward began managing Spencer-Roberts' San Francisco office and met McDowell during the 1970 Reagan campaign.

Woodward and McDowell's first clients included the Republican State Central Committee in 1971 and Boise-Cascade Corporation in 1972. Also, in 1972, the firm unsuccessfully managed Warren Boggess' bid for state Assembly and won another race in Guam. They did successfully manage Bill Bagley's 1974 Republican primary win in the state controller's race.

Woodward and McDowell's first big win was the Hayakawa campaign. They handled all the details from pre-primary to the final upset over Tunney. The media techniques and campaign tactics they developed for Hayakawa were similar to those used in last year's races and form the foundation of the firm's strategy. For example:

• ***The value of polls.*** Both Woodward and McDowell are firm believers in the value of extensive polling before and during a political campaign. In the Hayakawa race, for example, the firm's survey research showed that the public saw no particular issue differences between the two candidates. The polls did show, however, that the public was quite unhappy with the quality of big government, big labor and big business. There was an overriding sense, the polls indicated, that people simply felt that nobody cared.

Similarly, the firm began the extensive anti-Proposition 5 campaign — the most expensive in California history — with massive polling and survey research. Woodward admits that he and McDowell get more involved in the construction of polls than do most other firms. Although they don't actually write the polls, they do tell their polling company (in the Proposition 5 campaign, Lance Tarrance and Associates of Houston) exactly what type of questions they want the public to answer.

Woodward and McDowell also do a great deal of qualitative research. Before launching their anti-5 efforts, they hired a firm called The Public Sector which recruited randomly selected groups and hired a psychologist to guide these groups in a discussion of Proposition 5. From those sessions, Woodward, McDowell and their advertising writer got a perception of what the public actually felt about the

Woodward

McDowell

Bob Korda is a free-lance writer in the San Francisco Bay Area.

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clean-indoor-air initiative: what words they used when talking about it, how important it was to them and, most important, what type of arguments would persuade them to vote against it.

• ***Advertising feedback.*** The group sessions and quantitative polling helped Woodward and McDowell develop a strategy to defeat Proposition 5. A third member of their firm, Hal Larson, is another key to their success and, indeed, became a full partner in the firm last month, making it Woodward, McDowell and Larson. With more then 30 years of copywriting experience, Larson produces all of the firm's political advertisements. He began working with Woodward and McDowell in 1976 when he wrote all of the ads for the Hayakawa campaign. Last year, he wrote all 18 of the anti-Propsition 5 television and radio spots, as well as another 18 ads for Humphrey in New Hampshire and Paul in Texas.

Larson is credited with breaking new ground in political advertising. In the Hayakawa campaign for example, the ads asked people to write to the candidate and express their opinions on issues. In the Proposition 5 drive Larson delivered what he calls a "meta message" to the public. "Meta," he explains, involves taking all the polling research, plus his own perceptions of the public's mood, and making the tone of the advertising conform with existing attitudes.

At the beginning of the campaign, the polls showed the public annoyed and frustrated with government — a clear carryover from the Proposition 13 atmosphere of the previous June. According to Larson, people were especially concerned about too much government spending and intrusion into their lives — and a feeling that nobody in power was listening to the public.

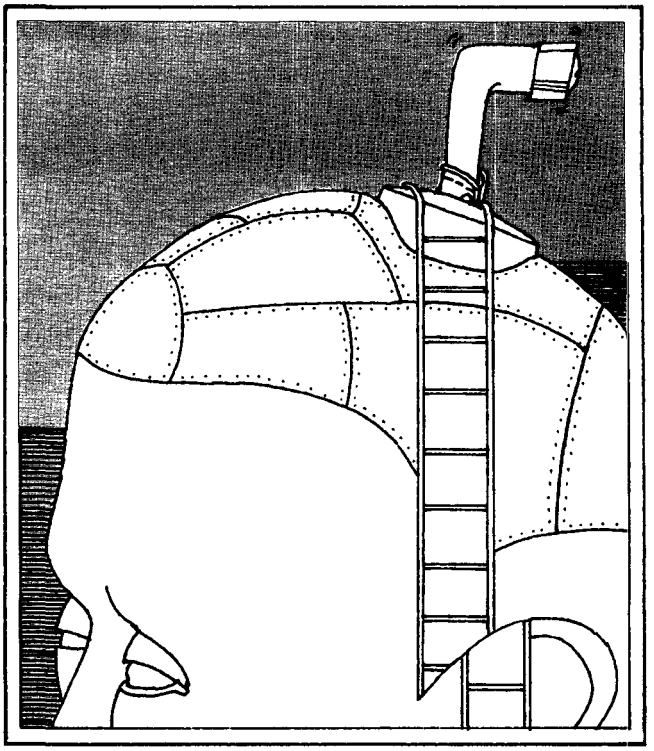
From these perceptions, Larson, McDowell and Woodward developed a three-stage advertising campaign. First, there was a "They're-at-it-again" series in which the ads, according to Larson, "sought to define the enemy and play on the anti-government mood of Proposition 13." This was the firm's first attempt, Larson says, to redefine the battleground and set up a different conceptual framework for people to respond to.

The second stage of the advertising blitz was the "What-will-they-regulate-next?" phase. Here, they tried to define the initiative in more detail and again to play on the anti-big-government mood of the time. Finally, the third stage was "Read-the-fine-print," designed to focus attention on the language of the initiative itself. These ads encouraged people to write in for a free copy of the ballot proposal, an offer which resulted in Woodward and McDowell's office being deluged with requests.

Larson immersed himself in the group sessions and quantitative poll results before writing any of the ads. He feels now that they were tailor-made to the public's perception of the initiative. Humor was used extensively because the public was seen as not being overly concerned with the entire clean-air issue.

The firm's political victims give eloquent testimony to its successful advertising strategy. Ex-Senator Tunney feels that the advertisements criticizing his attendance record were "blatantly dishonest," because, he says, he had one of the best attendance records in the Senate. "They picked a 30-day period to stress in their ads and portrayed that as representative of my entire six-year term," Tunney says. "Only in California could they get away with that, because only here do you have to have such an enormous amount of money to counteract deceptive claims like that."

But Tunney admits that Woodward and McDowell's advertisements were effective. "In fact," he says, "I have to take my hat off to them. They ran an exceedingly clever campaign, giving the people of California just what they want — a stress on negatives and a little bloodletting."



• ***Control over issues.*** Even Tunney talks about how effectively Woodward and McDowell controlled what issues were stressed and discussed during the bitter senatorial campaign. They focused on a negative image of Tunney and on Hayakawa's positive traits.

According to Woodward, "John Tunney, rightly or wrongly, had created the impression of insensitivity by what he had done the first five years of his senatorial term. So we decided to take advantage of that." The firm's advertising stressed Tunney's alleged absenteeism and his lack of concern for his constituents. The advertising also put forth a positive image of Hayakawa as — in Woodward's words — "a caring, concerned and strong individual who knew where he stood and was willing to speak out." In last year's Proposition 5 campaign, Woodward and McDowell managed to set the agenda for public debate and forced the yes-on-5 side to react defensifvely to the firm's own charges or figures.

"One of the most important things we did (in the Proposition 5 campaign) was to change the battleground," Woodward says. "In every field of endeavor, I feel it should be a goal to get oneself in a position where you've got the most favorable thing going."

• ***Supporters and computers.*** Advertising, of course, was not the only tactic Woodward and McDowell used in their fight against Proposition 5. Retained by the tobacco companies more then a year before the final vote, Woodward began to line up supporters as soon as he could. But because of the turmoil caused by Proposition 13, he had trouble getting people to listen to him until after the primary elections. Eventually he managed, though, to get labor as well as business support and also to get the backing of Republican and Democratic party organizations in most parts of the state.

An extensive direct-mail campaign was also launched after the primaries, using past voting records of precincts to decide which precincts should get Republican and which should get Democratic mailings. The Proposition 13 vote records were studied carefully, as were past votes on enviromental issues.

One of the authors of the Clean Indoor Air Initiative, Paul Loveday, feels that Woodward and McDowell ran a deceptive campaign in their anti-5 fight. "They were totally dis-

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honest." he says. "They ran a totally devious campaign, because that was the only way they could defeat us."

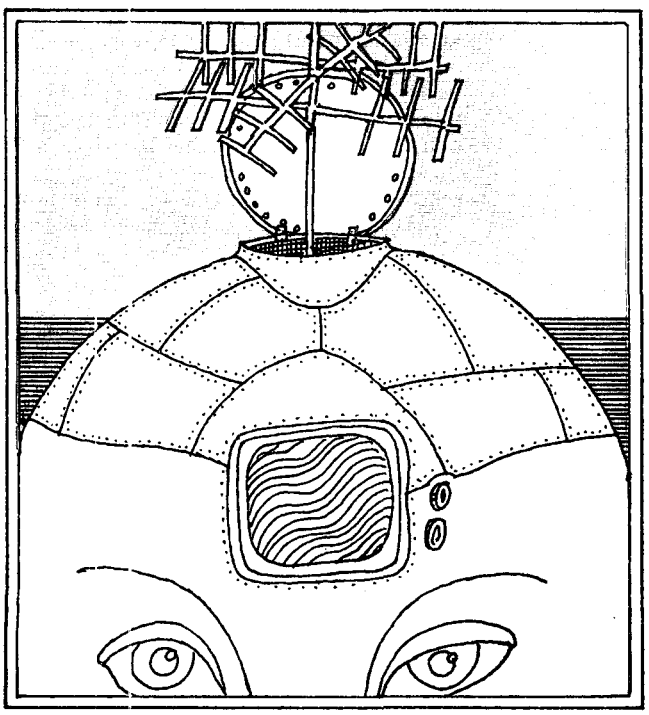
Loveday also objects to the campaign's repeated emphasis on people being arrested for smoking if Proposition 5 passed. In reality only a fine would have been assessed, he says. Loveday also charges that the firm used questionable endorsements, camouflaged the tobacco companies' heavy contributions and possibly used deceptive mailings. All of these are denied by Woodward.

• ***Dollar clout.*** The huge amount of money spent by the Common Sense Committee, $6.2 million, was unprecedented in state history. The Campaign for Clean Indoor Air managed to raise only about one-tenth of the amount, $650,000 mainly in small donations. The tobacco companies' donations to kill Proposition 5 included $2.4 million from R. J. Reynolds Corporation, $1.9 million from Phillip Morris, $1.2 million from Brown and Williamson and $650,000 from the Lorillard Corporation.

By contrast, both sides of the Proposition 13 fight spent a total of $3 million in their campaigns. A race like the Burke-Deukmejian attorney general contest generated only $1.6 million between them. The previous California record was $5.3 million, spent by the utility companies in 1976 to oppose the anti-nuclear Proposition 15.

Was it really necessary to spend that much money fighting Propostion 5? Neither Woodward nor McDowell will reveal their fees for the campaign. The Common Sense Committee's attorney Vigo (Chip) Nielsen says they made $5,000 a month as a fee, plus a 10 percent commission on all of the TV, radio, print and billboard advertising that they bought. With an acknowledged $3 million spent on advertising and 12 months of fees, Woodward and McDowell thus grossed at least $360,000, from which they, of course, would have to pay their expenses. Other campaign managers say that 13 percent was a more likely commission fee, and that $5 million was a possible media spending figure. That would hike Woodward and McDowell's fee up to about $900,000. Both Woodward and Nielsen say that is a grossly inflated figure.

Whatever the exact amount, any commission arrangement tends to encourage high-cost campaigns, because it is in the firm's own interest to purchase as much advertising as possible. Yet polls indicated that Proposition 5 was winning until the final months of the campaign. It was leading 53 to 41 percent in September; by November, the final vote was 54-46 percent against the initiative.



Other battlegrounds

Woodward and McDowell managed a senatorial race last year that was one of the biggest upsets in the country. In New Hampshire Gordon Humphrey, a young airline pilot, defeated then-Senator Thomas McIntyre who, according to *Time* magazine, "had been pulverizing ultra-rightist opponents since his first election in 1962."

The California managers were asked to write and produce radio and TV ads for the Humphrey campaign only four weeks before the November election, when Humphrey had a 20 percent rating in the polls. Woodward flew to New Hampshire and quickly digested all the poll results and all the material he could find on McIntyre. Larson flew in the next day, consulted with Woodward and wrote nine radio and television spots by Monday. The spots were produced on Monday and Tuesday by Larson and another associate of the firm, Al Niggemeyer, an Emmy award-winning cinematographer. The ads were on the air that Thursday, only six days after the team had arrived.

The time frame was compressed but the techniques were basic: Once again, Woodward looked for issues that the public had expressed concern about in the polls. One of them was the general state of the economy; the other was McIntyre's fuzzy image and doubts about his concern for his constituents. These formed the themes of the ads. Each one ended with Humphrey saying, "I'm going to be the toughest skinflint in the United States Senate." This line bothered candidate Humphrey, and Larson had to talk him into using it. Humphrey was said to have told his California copywriter that Larson was either sending him back to flying or to the U.S. Senate; he wasn't sure which.

The ads stressed government cost-cutting, Humphrey's nonpolitical image, and McIntyres's voting record, his recent purchase of a Florida condominium and the sale of his New Hampshire home. "He (Humphrey) had to emerge from the crowd, to come out of the 'mosh' of undefined people there," Larson says. "The 'skinflint' tag was a place for him to be." In four weeks Humphrey went from a 20 percent rating (with 30 percent undecided) to 51 percent on election day.

In Texas, Woodward and McDowell performed similar magic in overcoming a low poll rating for Ron Paul, a doctor. As in the Humphrey campaign, the firm had a limited contract with Paul, committing them only to writing and producing TV and radio spots. Once again, Larson's ads stressed the growth of big government and themes of family and patriotism, combined with an attack on Texas Congressman Bob Gammage's absenteeism and flip-flop voting record. Paul now represents the Houston area in Congress.

A lone loss

The firm's only defeat last year was with Ed Scott, who was running for the House from the Denver area. Woodward and McDowell's ads were not enough there to defeat an attractive, articulate opponent, Tim Worth. Scott's campaign also was plagued with organizational difficulties.

Currently, Woodward and McDowell are doing more work for the tobacco companies: fighting a Proposition 5-type initiative in Dade County, Florida. Dick Woodward expects the firm to do more work outside of California in the future, primarily in media consultation: "We're moving toward more consulting, where we're in and out — a sounding board that brings in new ideas, listens to things, gives advice and then leaves."

If their recent past is any indication, both Woodward and McDowell will be doing a lot of traveling.

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Butcher and Forde, wizards of the computer letter

NORA B. JACOB

"Your 1978 Property Tax Increase Statement Enclosed," read the official-looking notice printed on the envelope in red letters. "RESPONSE REQUIRED."

Within, a computer-personalized letter exhorted its tax-paying recipient to contribute to the "Yes on 13" campaign. A donation form which the letter called a "1978 property tax bill" was also provided, stressing how much more money the taxpayer would have to shell out if the ballot measure failed. In the corner of the envelope and on the letterhead, taking space usually reserved for a return address, were just two words: HOWARD JARVIS.

Jarvis. A man transformed in the public's mind from a faceless realtor into the leader of a spreading tax revolt, thanks to his leadership of the Proposition 13 crusade.

Of course the fund-raising letter was not a true 1978 property tax bill. Nor was any response required, at least not by law. It was a clever appeal by political consultants Bill Butcher and Arnold Forde, and it worked. Responses poured in, a torrent of support which eventually raised a massive $1.8 million for Proposition 13. The "Yes on 13" campaign went on to record the single biggest number of individual contributions anywhere in the nation.

Its political triumph did not stop last June, either. Proposition 13 went on to become an American slogan, a rallying cry; Howard Jarvis became a national celebrity. In fact, another Butcher-Forde campaign in November — using computer-written letters with Howard Jarvis' signature — was pivotal in several state legislative races. The letters helped to defeat two congressional incumbents and two state senators, all Democrats. In 10 Assembly districts where the Jarvis letter was used, only two Democrats were elected. (See "The GOP's secret weapon, *CJ*, January 1979).

Hustling the job

The best-known and most controversial consultants on Orange County's raucous political scene, Butcher and Forde took on the "Yes on 13" campaign a mere 100 days before the June referendum. They captured the job, quite simply, by hustling it. They had heard that there was no professional management behind the pro-13 drive, so they made an appointment with Jarvis, gave him their ideas — and got the account.

Such assertiveness, like the punch of their direct-mail appeal, has become a Butcher-Forde trademark. For while the two are often criticized for bringing sly, slippery techniques to political campaigning, the fact remains: Much more often than not, they win.

When Butcher and Forde brought professional management and a fierce competitive drive to Orange County campaigning, they were challenging decades of friendly, folksy clannishness. They have been called amoral and their campaign tactics deceptive. And the accusations have not been hurled exclusively by their candidates' opponents.

In 1977, a special blue-ribbon citizens' commission evaluated county politics in the wake of 43 indictments of local officials. It cited "campaign professionalization" and a " 'win at any cost' ethic" as two of the trends which had led to political corruption. "Some of these consultants regard a campaign as the equivalent of warfare, in which anything goes, short of overt violations of the law," said the report of the Citizens' Direction Finding Commission. "Deceptions and misrepresentations, especially unleashed at the last minute through computerized mailings, seem to have become, for some, a standard campaign technique."

There are not too many consultants in Orange County, and the Butcher-Forde team had already taken plenty of public flak for some of its tactics in the 1976 campaigns. Moreover, Butcher is an acknowledged wizard of computerized mailings. So while the commission's report may not have named the Newport Beach firm specifically, its meaning was clear.

Butcher and Forde see the CDFC's comments as symbolic of a last-ditch stand by the old guard of Orange County, the ruling class which had run government as a sort of *noblesse oblige*.

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"When we started, the idea of being professionals was unheard of. We were the only ones getting people into office, which meant getting others — the Establishment — out," says Butcher. "Somebody always has a vested interest in the status quo."

Knowing your target

In the old days, a candidate got some big-name backers, pulled together a bunch of volunteers and worked up some mailings on an old mimeo machine. That, in Butcher and Forde's view, is too haphazard and amateurish.

"The revolution in campaigning has been to make direct mail an effective tool," Butcher says. "We've just applied the same techniques that the electronic media have: surveying our audience, preparing a good-quality product and knowing our target."

It was Butcher's innovative expertise in direct-mail techniques that prompted Forde to propose their partnership 10 years ago. The match was an unlikely one. The two men had quite different backgrounds and, as Butcher puts it, "Arnold and I managed campaigns opposing each other and rather fervently disliked each other."

Forde, now 42, had gotten into politics because he had wanted to run for office. A native of Chicago, he moved to Orange County in 1962, five years after his discharge from the Navy, and went into real estate. But the Democratic county chairman counseled him to get some experience before making an election bid, so that's what the energetic, ruddy-faced Forde did. Working first for the local committee and then for the Democratic National Committee, he eventually ran campaigns "for friends at first, then as a job." He was handling the late Ronald W. Caspers' bid for county supervisor at the time he approached Butcher to join him.

Unlike Forde, Butcher has been a self-proclaimed "political hack" all of his life. Now 37, he started working on campaigns at 14. Within three years he was managing his first one: a roller rink owner's try for a Westminster City Council seat. After time off to get a geography degree from Cal State University, Long Beach, Butcher formed his own computer company specializing in telegrams and mailings for candidates all over the nation. In business from 1967 to 1970, Butcher folded the operation when "with great fear and loathing," he joined Forde.

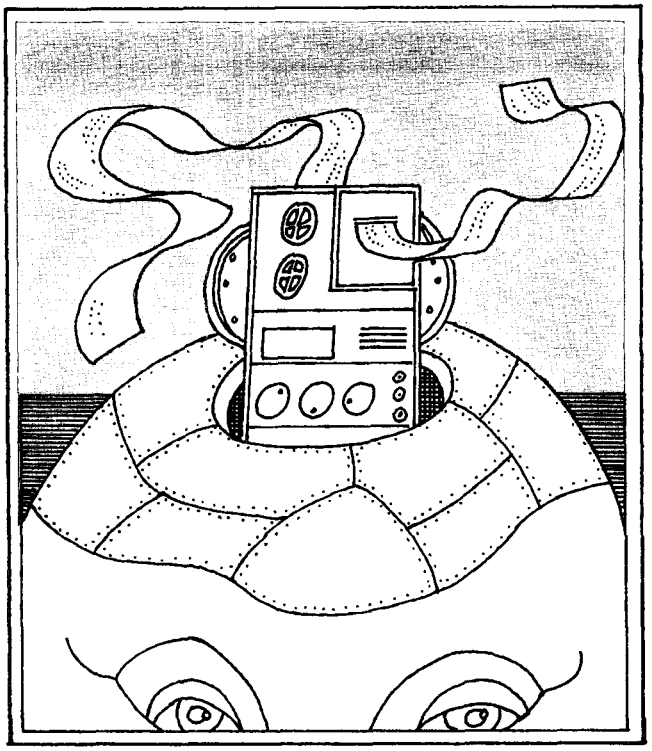
From that hostile, "odd-couple" start has grown an arrangement that seems to suit both men. While they share an eager bloodlust for a good campaign, one other factor makes them campatible partners: Butcher and Forde are committed to giving personal attention to every candidate and issue they take on.

Their "hands-on" philosophy is reflected in their day-to-day routine. And they are touchy about charges that professionalization equals depersonalization and that their recent growth has resulted in a loss of personal control.

"We could probably get 50 campaigns," Forde says. "But where could we go for help?" And Butcher adds, "Part of the reason we have the success we have is that we're not hiring college kids with notebooks in hand to do our flunky work. We won't take more than we can handle ourselves."

Their success rate is impressive: about a 90 percent win average, by their estimates. In the wake of their victory with Jarvis and "Yes on 13," Butcher and Forde have taken on an associate, Harvey Englander, and have expanded their staff to 10, working out of a rabbit-warren suite of offices in an understated, wood-rustic Newport Beach professional complex. People squeeze by one another in the hall, and the copying machine is set in a closet, but no one seems to mind.

Although the firm began with Democratic candidates, it has handled more Republicans recently. "We want people we're comfortable with," says Forde. "A campaign is a long



process, and if you don't like the person, it's going to be real tough. A lot depends on how interesting we find the campaign."

Thus, the fact that in 1978 they handled successful bids by two conservative Republicans — Assemblyman Ross Johnson and state Senator John Schmitz — is more a reflection of Butcher and Forde's competitiveness than political conviction. They had managed Schmitz' opponent the election before. They call themselves advocates, pure and simple. Democratic or Republican candidates in one election can be incumbents to be challenged in the next.

In reviewing their Proposition 13 campaign, Butcher says their biggest problem was that not a single traditional politician supported the initiative. "We didn't have any existing group of any kind. In this case, everybody was against 13," Butcher recalls.

The "Yes on 13" drive also faced a potentially vicious credibility problem: "We were afraid the opposition would go telling everyone to turn to Howard Jarvis for services if Proposition 13 passed," says Forde.

"We realized early on that it was a matter of fear versus anger," Butcher explains. "If the fear was great — that police, fire, and school services would be cut back, for example — then we'd lose. But if we could get them going on anger — taxes going up, politicians withholding information, and so on — we'd win."

Debate on strategy

Before anything else, they had to settle an internal conflict on strategy. Jarvis wanted the Butcher-Forde team to get a lot more people visibly involved with the "Yes on 13" campaign, but the pair disagreed. The "Yes on 13" chairman would be the best advocate of the issue, they felt, and the most effective way to focus public recognition would be to maximize his exposure. Howard Jarvis should *be* Proposition 13.

There were problems, of course. "A fair portion of the population found that Howard Jarvis was somewhat erratic and ought not to be writing measures on tax relief," Butcher admits. To combat that feeling, Butcher and Forde produced a 30-second TV spot which presented Jarvis in a straightforward way, sitting behind his desk, giving what

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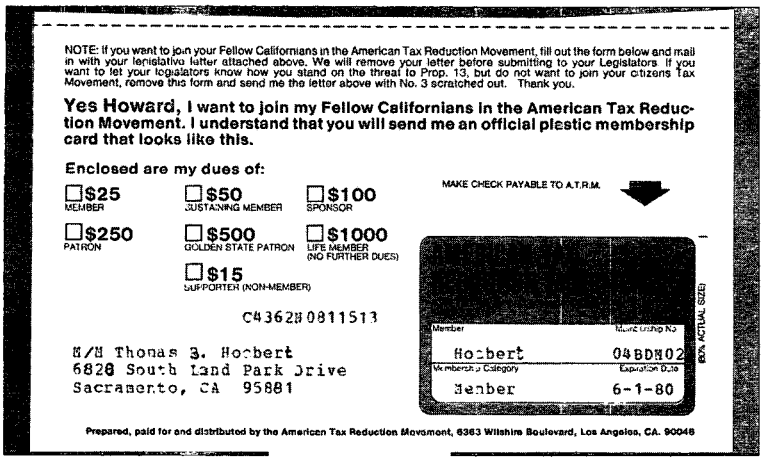

NOTE: If you want to join your Fellow Californians in the American Tax Reduction Movement, fill out the form below and mail in with your legislative letter attached above. We will remove your letter before submitting to your Legislators. If you want to let your legislators know how you stand on the threat to Prop. 13, but do not want to join your citizens Tax Movement, remove this form and send me the letter above with No. 3 scratched out. Thank you.

Yes Howard, I want to join my Fellow Californians in the American Tax Reduction Movement. I understand that you will send me an official plastic membership card that looks like this.

Enclosed are my dues of:

☐$25 MEMBER ☐$50 SUSTAINING MEMBER ☐$100 SPONSOR
☐$250 PATRON ☐$500 GOLDEN STATE PATRON ☐$1000 LIFE MEMBER (NO FURTHER DUES)
☐$15 SUPPORTER (NON-MEMBER)

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M/M Thomas B. Hoebert
6828 South Land Park Drive
Sacramento, CA 95831

Member Hoebert 04BDN02
Membership Category Expiration Date
Member 6-1-80

80% ACTUAL SIZE

Prepared, paid for and distributed by the American Tax Reduction Movement, 6363 Wilshire Boulevard, Los Angeles, CA. 90048

Portion of the latest Butcher-Forde-Jarvis mass mailing

Butcher called "a very simple, reasoned discussion of his tax plan."

It was Jarvis telling the public, "You've got to remind the politicians who's boss." And it ended with the same two points that were to provide themes for all five of the "Yes on 13" commercials: "Cut property taxes two-thirds" and "Show the politicians who's boss."

The Jarvis spot made a dent in public opinion, and contributions from the direct-mail blitz came in to help pay for more. But it was a second TV spot that really made a big difference early in the campaign. Making one exception to their "no surrogates for Jarvis" decision, the Butcher-Forde team decided to seek the support of one financial expert. They came up with a dandy: Milton Friedman.

With the label of "Nobel Prizewinning Economist" beneath his relaxed, benign visage, Friedman ran through what Propositon 13 would and would not do for California. The 30-second spot again was straightforward, sticking to a view of the economist's face as he spoke.

As for air time, the Butcher-Forde buying strategy was to go for prime-time TV exposure with the greatest audience reach they could get. "We felt families would make their decisions while together on basic money matters like 13," explains Butcher.

With the image of irresponsibility being countered by messages of fiscal wisdom, the pair decided it was time to move from refuting the weaknesses of 13 to emphasizing its strengths. "Our strengths were that everyone wanted to reduce taxes," says Butcher, "and everyone wanted to kick the politicians in the slats."

The resulting commercials capitalized on public unhappiness. One which ran throughout the campaign showed scenes of posh vacation spots around the world, from the Eiffel Tower to palmy, sun-drenched beaches. "Each year California politicians go on expensive junkets all over the world," oozed an off-camera announcer. Politicians were wasting valuable tax dollars in idle pursuits, it was clear; the way to cut such costly luxuries was to vote yes on 13.

Another commercial was more sinister. With a jack-in-the-box playing "Pop Goes the Weasel" in a sad, minor key, it warned viewers: "The politicians have a little surprise for you. Your taxes could go up 100 percent."

One last TV spot prepared by Butcher and Forde didn't get much air time because there wasn't much need for it. Using a blackboard comparison of Propositions 8 and 13, it sought to make clear how the two tax reform measures differed. "We were afraid the other side would plug 8 and we needed something to combat it," explains Butcher. "Just in case."

Such thorough contingency planning is typical of the two, but the threat never materialized. Nor did they have to rely on the $700,000 they paid for radio and TV time, all raised by direct mail, to put out the tax reform message. Some of the best publicity "Yes on 13" received was straight news coverage, the so-called "free press" that every campaigner hopes to generate.

Beyond wildest dreams

Butcher and Forde masterminded pressure on county assessors' offices throughout the state to release pre-election predictions of property tax bills. If any assessor did not release the figures, it meant that the mysterious, bureaucratic "they" were withholding information. But if the figures were given out, it was almost certain that taxes would be shown to rise. Few assessors responded to the demand for early estimates. But when the Los Angeles County assessor's office did, its predictions showed the very increases that Proposition 13 advocates were warning about.

"It turned out to be beyond our wildest dreams" beams Forde. "Survey results showed the worry over 13 went way down."

The "Yes on 13" underdogs had turned the tables. When Butcher and Forde took over management of the campaign 100 days before ballot time, public opinion was running 32 percent in favor, 30 percent opposed. By the time ballots were counted, Proposition 13 passed by about a 2-1 ratio.

After June, Butcher and Forde accepted another challenge: to manage Jarvis' plans for a national tax reform movement. By mid-July, they had invited "free media" expert Harvey Englander, 28, to join them as an associate, responsible for the day-to-day doings of Howard Jarvis and the new American Tax Reduction Movement (ATRM).

Englander, then working as public relations director of the Jewish Federation Council of Greater Los Angeles, had cut his political teeth as a college student. A term paper assignment in 1968 had called for student involvement in a campaign. Englander chose Bobby Kennedy's, and he went on to be a Kennedy advance man. By 1969 he was working for Hubert Humphrey, serving as Humphrey's schedule director in California.

After graduating from UCLA with a degree in political science, Englander joined the Los Angeles firm of Joe Cerrell and Associates, starting as an office boy and advancing to a vice-presidency. When he left Cerrell to start his own consulting firm in 1974, Englander and the Butcher-Forde team occasionally joined forces.

It was a good prelude to his current work. Englander's flair for engineering publicity-generating events was an immediate hit with the ATRM, which he serves as staff director. Englander had the idea, for instance, to announce the introduction of congressional tax reform legislation last September at a press conference at Boston's Faneuil Hall, site of another tax revolt, the Boston Tea Party. From there, ATRM forces led by Jarvis went on to Internal Revenue Service headquarters in Washington and Philadelphia's Independence Hall to make the same announcement.

Meanwhile, Butcher and Forde are handling the California division of ATRM. The work is different from what they usually do because now no election is involved. And it is the excitement of election campaigns that both men most enjoy. They'd love to run a major presidential campaign someday, they say, but the initiative process turns them on, too.

"If there were another smoking initiative, we would probably go down and apply," Butcher says. "We would love to see someone come to us with an issue that's underfinanced," adds Forde. "I'd like to see a matter of public concern, where the cause is just. And the large interests were on the other side, so it would be the good guys versus the bad guys.

"Kind of like 13."

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The rapid disappearance of safe political territory

By Tony Quinn

Possibly the most remarkable California political event of the late 1970s is the re-emergence of political competition at the legislative level. More parts of California, more Assembly and Senate districts are potentially winnable by either party than ever before.

The cauldron of political discontent which boiled over into Proposition 13 last year is bubbling again. People simply will not walk into the voting booth and blindly mark their party's candidates as they once did. Californians now elect Democrats in Orange County, and they have begun electing Republicans in places like Sacramento — things that just did not happen in the past.

The near-death of the Republican Party in the middle 1970s contributed to this political instability. From the 1950s until 1971 the two-party registration in California remained pretty much the same. But in 1971, the 18 year-old vote added a million voters to the California rolls, and almost all of these were Democrats or independents. Since 1972, when the Republicans lost eight seats in the Assembly, GOP registration has dropped steadily.

The 18-year-old vote was followed by an even worse disaster: Watergate. In 1974, probably the worst Republican year in this century, some 400,000 Republicans simply disappeared from the rolls and never came back. Watergate also destroyed straight-ticket Republican voting. Before Watergate almost any Republican candidate could always expect to receive 90 percent of the GOP vote. Not any more. Strong Democratic candidates suddenly found themselves winning a significant share of the Republican registrants.

Democratic squabbles

But leave it to the Democrats to rescue the Grand Old Party. As their numbers swelled, Democrats began fighting among themselves. Failure of Governor Brown and the Legislature to agree in 1977 on a property tax bill led to the Jarvis-Gann initiative. That in turn led to the schism between liberal Democrats in the Legislature and the unpredictable Democrat in the corner office. And that led last November to the first Republican legislative gains in a decade, and to the probable salvation of the GOP which had been fast disappearing from the face of Calfiornia.

Non-party voting has evolved into anti-party voting, and anti-party voting has produced a major increase in the number of swing districts. Mercurial California voters are apt to thumb their noses at years of party loyalty and turn out entrenched incumbents. Ask Vincent Thomas. The dean of the Legislature, Thomas represented San Pedro in the Assembly for 38 years and rarely won with less than 60 percent of the vote — until the voters suddenly retired him last year.

Ten years ago most of California's 80 Assembly districts were generally conceded safe for the incumbent party. Los Angeles County, with 35 percent of the state's population, divided like Gaul into three parts: an urban core (safely Democratic), outer suburbs (safely Republican) and a small buffer of swing districts in between. Now this buffer has expanded, so that only about half the Assembly seats in Los Angeles can truly be called safe.

In 1970 Democrats enjoyed only a small foothold in Orange County; today most of the districts are marginal, and the Democrats have half the legislative delegation.

The Bay Area once divided neatly into safely Democratic and safely Republican communities, with few swing areas. But today not a single Bay Area Assembly seat is safe for

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the Republicans, and marginal seats seem to abound. The opposite is true in Sacramento. There the Democrats enjoyed a monopoly on all partisan offices for 20 years, until 1978 when the GOP picked up an Assembly and a Senate seat.

The statewide shift

California divides into six geographical and political areas, and the shift away from party voting in every one is pronounced:

• ***Rural California:*** This encompasses all or part of 40 counties scattered from Oregon to Mexico, including all of the Central Valley. Every one of these counties has elected at least one Republican and one Democrat to the Legislature or Congress since 1970. Traditionally, cities like Fresno, Modesto and Sacramento were presumed safely Democratic, but no part of rural California is really safe today.

The reason is fairly simple: While virtually all rural counties are heavily Democratic in registration, they are of a different sort than the traditional liberal Democrat. Many are populated by second- and third-generation Californians from the South and Midwest, and theirs is a conservative Democratic tradition. Finding no natural moorings in either party, they have tended to alternate between them.

Until 1966 the rural counties seemed to favor Democrats, albeit of a conservative nature. Then for several years the Republicans scored gains. In the early 1970s the rural areas swung back to the Democrats, but in the past couple of elections, Republicans have again moved up. Of the 12 largely rural Assembly districts, right now each party holds six.

There is reason to believe the rural counties will reverse their long decline in representation and gain slightly in the 1980 reapportionment. But it is anybody's guess which party will gain, if either. That's for the fussy rural voter to decide.

• ***Bay Area:*** If rural California is politically unstable, political regularity is the watchword in the San Francisco-Oakland Bay Area. It is hard to find an urban center in America that is as consistently Democratic and as liberal.

It was not always this way. As recently as 1956, 12 of the 20 Bay Area Assembly members were Republicans, including half the delegations from Oakland and San Francisco. Republicans now hold only three of the 18 Assembly districts, and only Senator Milton Marks remains of the once-powerful San Francisco GOP delegation. No Republican has represented Alameda County in nearly a decade. Even Santa Clara County has but a single GOP legislator.

The disappearance of Bay Area Republicans came about partially because San Francisco area Republicans tend to be a good deal more moderate than the party as a whole. As control of the California GOP swung to the right, the party cut loose its Bay Area contingent, and one by one these seats fell to the Democrats. The 1956 election of Phil Burton to the Assembly, by a scant 659 votes, marked the beginning of a newer, more militantly liberal Democratic party in the Bay Area. With an increasing number of safe seats, liberal Democrats became entrenched.

The only real threat to Democratic incumbents in the San Francisco-Oakland-Berkeley core is declining population. Bay Area growth is in swing or GOP-leaning areas, such as Walnut Creek and southern San Jose. Reapportionment will cost San Francisco and San Mateo counties an Assembly seat between them, and could cost Oakland part of its representation. Republicans picked up an Assembly and a Senate seat in the Bay Area in 1978, their first gains in almost a decade.

The GOP could have a shot at further slight gains after 1981, if reapportionment creates an additional number of marginal seats. Right now 10 Bay Area Assembly seats are safely Democratic and eight potentially winnable by either party.

• ***Coastal Counties:*** Most of the upper nine coastal counties — Del Norte, Humboldt, Mendocino and Sonoma north of the Bay, and Santa Cruz, Monterey, San Luis Obispo, Santa Barbara and Ventura south of San Francisco — consist of small cities and towns. But their political behavior varies greatly from the Central Valley and the mountain-desert rural counties.

For one thing, these counties were mostly Republican 10 years ago, with all but one coastal Assembly district in Republican hands. But no political change has been as great as that along the coast. Most moderate-to-conservative Republicans, who once dominated every county, have been supplanted by environmentalist liberal Democrats.

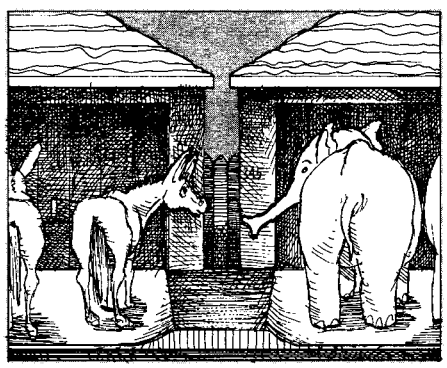
Areas of Dramatic Change

Political change has been greatest in California's inner suburbs, communities close to the urban core. Several have gone from solidly Republican to almost as solidly Democratic in a decade. A few examples:

• ***Santa Monica:*** In 1971 it had a Republican registration majority, but by 1977 Democrats outnumbered Republicans by 11,000 registered voters.

• ***Santa Ana:*** Republican territory a decade ago, Santa Ana now has Democratic representation in Congress and the Legislature. Republicans account for only 36 percent of the registered voters.

• ***Pasadena:*** Pasadena is still Republican in its voting behavior, although Democrats have a slight registration edge. But a decade ago it was overwhelmingly Republican, and all the growth is with the Democrats now. Pasadena will be marginal territory within a few years.



This transformation of the inner suburbs is part of the reason for the major Democratic gains in the 1970s. But the picture is not entirely bleak for the Republicans. Some solidly Democratic areas are losing representation as people move to the suburbs, and the fastest growing areas are those outer suburbs where Republicans still prevail. Some examples:

• ***Walnut Creek:*** In 1971 this overwhelmingly Republican community had only 17,000 voters. Nearby Richmond, four to one Democratic, had 27,000 voters. By 1977 Walnut Creek had grown to 29,000 voters while Richmond grew by only 3,000 to 30,000 voters.

• ***Newport Beach:*** One of the most Republican cities in the state, Newport Beach has increased from 22,000 voters in 1971 to 39,000 in 1977. Similar growth was registered in other Republican strongholds in Orange County.

Which party gains more from these varying patterns of growth? Probably neither. Democratic migration is cancelling out potential GOP suburban gains. The upshot is more competitive territory for both parties. *T.Q.*

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The New Population Pattern

Something funny is happening to California's population. Everyone knows that, beginning in the mid-'60s, the rate of population growth slowed down. But the extent of that slowdown is just now coming into focus.

Department of Finance population projection figures show that the state will have grown less than 15 percent in the decade of the 1970s. This compares with a growth rate of nearly 50 percent during the boom years of the 1950s.

But the most remarkable fact is the change in California growth patterns. For the first time in decades, Northern California is actually growing faster than the Southland. And Northern California growth is in the rural areas. The 1980 census will show that the fastest growth is in the Central Valley and the small mountain counties.

This change is most dramatic when compared with population projections of 15 years ago. In 1963, the state's projected 1980 census was 28 million people, with 9.2 million of them residing in Los Angeles County and 6 million in the Bay Area. Current estimates predict a 1980 population of only 23 million, with Los Angeles only slightly above seven million and the Bay Area at 4.7 million.

Even fast-growing counties like Ventura and Orange are not growing as fast as expected 15 years ago. Of the major counties, only San Diego will match the 1963 projected rate. However, several rural counties, including Butte, Stanislaus and Tulare, will meet or exceed their 1963 projections by the 1980 census.

Clearly Californians are moving away from the crowded urban centers to the smaller towns and to the country. Even the suburban growth is not what it used to be. Environmentalists may take some hope in this. People seem to want a lifestyle change; they are voting against smog and urban blight with their feet and their moving vans.

Politically this may be bad news for liberals, because their centers of power will lose representation in the next reapportionment. The chart below shows the shift of Assembly seats away from the urban centers. And the state will not enjoy its usual gain in new congressional seats. In 1960 it gained eight new seats in Congress and in 1970 another five. But since California's growth has slowed, the 1980 projection is for a gain of only one or two seats in the congressional delegation. *T.Q.*

Santa Cruz County tells the story. A decade ago its registration was divided equally between Democrats and Republicans, and it had not elected a Democrat to state office in memory. Today Democrats outnumber Republicans two to one and Democrats hold most partisan offices. Why the change? The environmental movement took hold in Santa Cruz like nowhere else, and environmentalist Democrats suddenly found themselves replacing conservative Republicans. Of late, though, there has been some conservative rebound.

Perhaps the only exception to this trend is Ventura County, where the growth has been mostly suburban and Republicans have gained. Until 1976, Ventura had not elected a Republican Assemblyman in more than 30 years. Now, however, it seems fairly safe in the GOP column.

• ***Los Angeles:*** Los Angeles County dominates Southern California because its media market covers almost the entire populated area south of the Tehachapi Mountains. And Los Angeles is an area in transition. At its core is a growing minority population, which could make Los Angeles a predominantly Hispanic city before the end of the century. Busing and the movement of blacks and Hispanics from the ghettos and barrios into middle-class neighborhoods has triggered a white migration to the outer suburbs. The county lost some three Assembly districts in 1971 reapportionment, and will lose another three to neighboring suburban counties in 1981. What growth exists in Los Angeles is now on its periphery, in places like Calabasas-Westlake, Saugus-Newhall and East San Gabriel Valley.

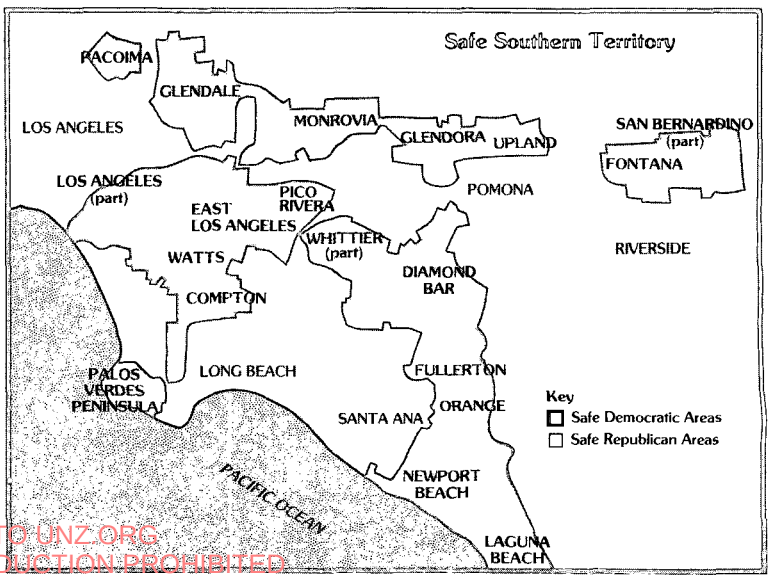
The politics of Los Angeles is equally unsettled. Hardcore Democratic neighborhoods are found in black south and central Los Angeles, in the growing Hispanic east and southeast Los Angeles, and on the Jewish west side. This Democratic core is expanding westward into Santa Monica and eastward into the San Gabriel Valley. But there are some solidly Republican areas in Los Angeles as well.

The GOP has a strong base on the Palos Verde Peninsula and along the Orange County line from Whittier to Diamond Bar. But the traditional heartland of the California GOP, particularly its conservative wing, is in the foothills north and east of Los Angeles. A band of towns from Glendale to La Verne form the base for three solidly GOP Assembly districts, although the largest city in the group, Pasadena, includes a growing number of black Democrats.

The rest of the county is in transition. Long Beach once divided into safely Republican and safely Democratic districts. Now most of the southwest quadrant of the county is in political flux. So is the San Fernando Valley, where opposition to busing cost the Democrats one Assembly seat in 1978 and where political loyalties on both sides are weakening.

Reapportioning Los Angeles in 1981 could be a nightmare, particularly since the county must lose additional seats. Blacks and Chicanos have fought hard for their full share of districts and will not give up seats easily. This means that some white Democrats on the edge of east and south-central Los Angeles could lose their seats to minority primary challengers. Jewish neighborhoods in west Los Angeles not only provide the financial lifeblood of the party, but they also consistently elect strongly liberal Democrats to office. But the Jewish vote could be turning more conservative, and their loyalty ties to the Democrats are in question.

Most of the old Republican neighborhoods close to the downtown are gone now, leaving all of central and western Los Angeles safely in Democratic hands. But newer Repub-



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lican neighborhoods along the edge of the county are entitled to increased representation. Los Angeles now has some 16 Democratic assemblymen and 12 Republicans. A dozen of the Democrats and half the Republicans occupy reasonably safe seats, although several Democratic incumbents could be vulnerable to primary challenges over the next decade.

Los Angeles has been described as 70 suburbs in search of a city. The volatile nature of LA politics suggests four million voters in search of their parties.

• ***Suburban Counties:*** Orange, Riverside and San Bernardino counties exhibit all that is fascinating about California politics. Orange County, once that bastion of the Republican right, is really a study of two-party politics at its very best, or worst. As the minority Republicans employed sophisticated campaign techniques to overcome registration deficits elsewhere in California, the minority Democrats turned the tables in Orange County and have managed to elect legislators in districts that once seemed as Republican as Vermont. (See "The political resurrection of Richard O'Neill" in this issue.)

The upshot is that of the 10 suburban seats in these three counties, only three are safe for either party, one for the Democrats in central San Bernardino and two for the Republicans in northeastern and in southern Orange County. Everything else is marginal.

It was a tenet of faith for the GOP that as Orange County and the Inland Empire grew, Republicans would gain. All three counties were generally considered GOP in their makeup. But no one foresaw that the new voters would be mostly Democrats. Orange County is now barely Republican in registration, and the other counties have greatly increased Democratic registration.

The last reapportionment created several marginal seats in these counties, and the Democrats won most of them in 1974. With the exception of a probable new safe Republican seat in southern Orange or northern San Diego counties, any other new seats, congressional or legislative, in these suburban counties are likely to be toss-ups. As is usual for this part of the state, the competition will be stiff and the campaign money will flow.

• ***San Diego:*** Politics in San Diego tends more and more to mirror the rest of the state. Once Richard Nixon's favorite county, San Diego was a Republican stronghold that suddenly started turning Democratic in the early 1970s. That trend seems to have slowed and the county now has a Democratic core in the middle of San Diego, a Republican base in the north county, and a lot of marginal territory in between.

San Diego still goes pretty much for the Republicans at the top of the ticket, but it is divided almost evenly at the congressional and legislative level. Republicans have two Assembly seats fully in the county and two that are partially in San Diego County. Democrats have three full seats in the county. Two Republican congressmen and one Democrat represent San Diego in Washington, and two Democratic senators and one Republican in Sacramento. Things are so evenly divided that a Republican congressman and a Democratic senator even share the same name: Bob Wilson. To confuse things even further, the mayor's name is Wilson also. Politics in San Diego is nothing if not confusing.

The future outlook

What does all this mean for the future? The 1981 reapportionment is likely to have less effect on California politics than any of the past three redistricting efforts, the highly partisan 1951 and 1961 redistrictings or the court-mandated line-drawing in 1973. For one thing, California is not growing as rapidly as before. The decade of the 1970s will show a significantly slowed growth rate.

The opportunities for partisan gerrymandering are less for at least three reasons: The public is better informed about party politics, minorities will not willingly allow their communities to be fractured, and (the strongest reason of all) less territory is politically safe.

Perhaps most interesting is the end of the long-term trend toward more representation for Southern California. Its overall growth has barely kept pace with the rest of the state. While Orange and San Diego counties will continue to gain seats, they will come at the expense of Los Angeles.

REAPPORTIONMENT CHART

Assembly seats (rounded)

	1970	1980	Change
Los Angeles County:	28	25	−3
Orange-Riverside-San Bernardino Counties:	10	11	+1
San Diego County:	5	6	+1
Central Coastal Counties:	4	5	+1
North Coastal Counties:	1	1	—
Bay Area Counties:	18	17	−1
Rural Counties:	14	15	+1

Source: Rose Institute, Claremont Men's College.

At least one Assembly seat, and perhaps a Senate and a congressional district as well, will shift to rural California, either to the central coast or into the Central Valley. Increased representation in rural and suburban regions means more competitive districts.

As in the 1970s, the politics of the 1980s will increasingly be the politics of personality, declining party loyalty and intense competition. The political instability unleashed by Proposition 13 may be with us for a long time.

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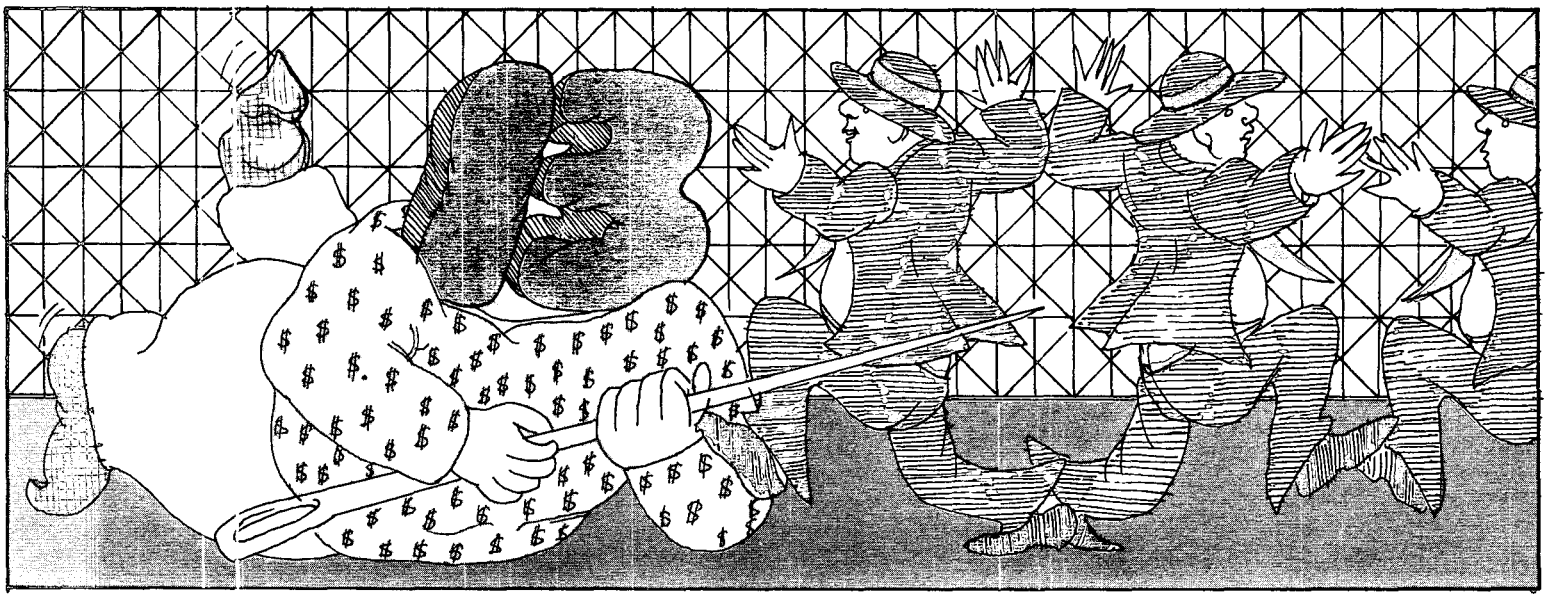
The facts of life in a Proposition 13 world



By Ed Salzman

It was just a year ago that the battle over Proposition 13 was in full flower. Howard Jarvis, Paul Gann and company were trying to convince California that their initiative would, among other things, sharply reduce waste in government, benefit renters, slay Big Government, and halt outrageous benefits given to public employees. Virtually the entire state political establishment, from Jerry Brown down, attempted to convince voters that the measure was irresponsible, would produce economic and governmental chaos, would reduce vital services, and would curtail local-government home rule.

A year later, it turns out that Proposition 13 has done few of these things. But in many ways the initiative has indeed had a monumental impact on California. Take it from 82-year-old Ted Craig, lobbyist for the Orange County supervisors and one-time speaker of the Assembly: "In my 50 years here, the passage of 13 is the first thing that has ever happened to make the political machine change directions a little bit -- not much, but a little bit."

Proposition 13 moved the political machine sharply to the right. Few politicians in California or elsewhere in the nation are now willing to take public stands that go counter to the spirit of 13. Indeed, Governor Brown himself took the wheel of the machine even before the ballots were cast last June because he recognized a popular juggernaut and knew that the middle class was in revolt. And the middle class, when aroused, swings the political pendulum in California.

Although the Legislature has not yet come to grips with the long-range solution to local-government fiscal problems caused by 13, the measure has been in effect long enough so that some conclusions can be drawn. Overall, it is safe to say that many of the results forecast by both sides have not yet developed because the state treasury has been so larded with surplus funds. This meant that the state was able to avoid the fundamental issue: Which elements of public service will be abandoned?

Sending the message

Above all, the enactment of Proposition 13 dramatized the fact that the public was willing to take drastic steps to demonstrate its desire for lower taxes and governmental reform. Although many states had flashed the stop-spending sign before California, it was the 2-1 vote of California that sent the message to Washington and into every seat of government across the land. Now it is clear that the entire nation has halted the era of fast-growing government. The magic words of the day are "balanced budgets," "indexing" "tax cuts" and similar terms long dear to conservatives.

Governor Brown's "Jerry Jarvis" act brought him a stupendous victory in his re-election campaign after his popularity had plummeted precipitously because of his opposition to 13. He was able to parlay his handling of the post-13 crisis into extraordinary media attention for his presidential campaign. Brown is now the foremost spokesman in the country for tax reductions, balanced budgets and opposition to the demands of public employees. Without Proposition 13, Brown might not have been able to launch his presidential campaign with nearly so much velocity.

Proposition 13 has also helped other individuals with political aspirations. By establishing himself as the counterpoint to Brown, Assembly Speaker Leo T. McCarthy has made himself the darling of the traditional Democratic

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forces. That makes McCarthy the early frontrunner for the Democratic gubernatorial nomination in 1982. Then there is Howard Jarvis, the perennial candidate who struck it rich on a fluke with Proposition 13. Jarvis might well seek and win the Republican nomination to oppose United States Senator Alan Cranston next year, benefiting exclusively from the popularity he gained as the salty spokesman for the initiative.

Political and fiscal fallout

Here are some of the other results of Proposition 13, political, fiscal and governmental:

The Legislature. Although state legislators were among the targets of Jarvis and Gann, Proposition 13 has actually given lawmakers more power. They are now the objects of affection of anyone wanting a piece of the fiscal action. The Legislature decides how the state surplus will be spent, how local government resources will be allocated and which state agency will be cut back to release funds for other purposes.

1978 elections. Proposition 13 was used cleverly by Republicans to increase their numbers in the Legislature and the state's congressional delegation. Letters signed by Howard Jarvis may have proved pivotal in several races. The GOP will be hard put to use the issue as effectively in 1980 because many Democrats have followed the conservative path of Jerry Brown.

Local government. Thanks to a loophole in Proposition 13 and the huge state surplus, local government has not suffered greatly because of the initiative. The state handed out money designed to keep budgets at 90 percent of what they would have been without the ballot measure, and many elements of local government came out even better than that. This is because the proposition allowed governing boards to raise local taxes (until July 1st), fees and other miscellaneous charges. Cities, which did not depend as heavily on the property tax as some other elements of government, emerged in especially good shape. Some even have more money to spend now than before Proposition 13. Counties were bailed out of most of their health and welfare programs by the state and thus faced no major cutback of services. Schools, with declining enrollments, dropped summer sessions and survived with little pain. Some special districts were hurting, and the Legislature responded with $30 million in supplemental emergency funds this year. It may turn out that Proposition 13 will force a significant reduction in the number of special districts. Overall, there was some erosion of local home rule because the state was paying for more of the action and was therefore able to attach more strings to local activity. For example, local government was prohibited from reducing police and fire services — even though some governing boards would have welcomed an opportunity to reorganize its emergency-service operations.

Gann's "Spirit of 13" Initiative. Paul Gann launched his petition campaign for his spending-limit measure because Proposition 13 had so little effect on local government. (In fact, Jerry Brown drew the fiscal strings much tighter at the state level than he forced local government officials to do.) Gann claims many city councils, boards of supervisors and other officials used every means possible to subvert the purpose of Proposition 13 — to cut government spending and eliminate unwanted and inefficient services.

Long-range fiscal planning. The Legislature has talked about finding a permanent solution to Proposition 13, but there is no consensus in sight. There have been four different proposals put forward, and none of them seems to have the momentum needed to be passed this year. One of the reasons is that some difficult decisions involving governmental priorities must be set, and it is much easier for lawmakers to go along year by year applying temporary bailout bandages.

Schools. The so-called "learning lobby" is trying to go it alone and obtain a massive increase in state support (9 percent a year), leaving other units of government to fend for themselves. Actually, schools have done exceptionally well, compared to special districts and counties, for example. It remains to be seen whether this militance, led by the California Teachers Association, will be productive or will boomerang.

Post Commission. Immediately following the passage of Proposition 13, Jerry Brown appointed a blue-ribbon commission to propose reforms in government, both fiscal and structural. The commission was a failure. (See "Why the Post Commission flopped," *CJ*, March 1979.) The commission emphasized the need for retention of services and even suggested that taxes be raised, if necessary, to keep the wheels of local government moving. There was relatively minor consideration given to drastic changes in the California system of government or to major economies. This same attitude has pervaded the leadership of most major governmental institutions.

Future taxes. Most of the permanent finance plans put before the Legislature involve a shift of tax revenues from the state to local government. This would cost the state more than $4 billion a year — exceeding the rate at which the surplus has been accumulating. No one has been paying any attention to what will happen when the state budget starts showing a deficit — as would have been the case this year had the surplus not been available.

State spending. Governor Brown has been extremely tight with the state budget, ordering a hiring freeze, vetoing a pay raise for state workers and cutting back the number of employees in some departments. This has helped build the surplus. However, Brown has not demanded that local government follow suit.

Health and welfare. The typical supporter of Proposition 13 selected welfare as the number one priority for cutbacks. In the first year following the enactment of the measure, state spending for welfare has increased slightly. And if Medi-Cal expenditures are added, the budget has increased significantly. These allocations are a major subject of dispute in this legislative session. (See article on pages 180 and 181).

Public employees. Prior to the enactment of Proposition 13, public employees in California were enjoying unprecedented increases in salary and benefits. They had just concluded a successful campaign to get collective-bargaining rights. Proposition 13 virtually wiped out these rights. It limited dollars available and thus made collective bargaining almost meaningless. It caused some workers to lose their jobs — but only a few compared to what had been forecast. It reduced opportunities for upward mobility. State and local workers were denied pay increases last year by Brown, but the state Supreme Court found that action unconstitutional. Nevertheless, most public employees this year did not nearly keep pace with the cost of living.

Minorities. Because Proposition 13 halted the expansion of government, public sector affirmative-action programs are now next to meaningless. In some areas, minority employees have lost a disproportionate number of jobs because of seniorty rules on reductions of force. Minority leaders claim Proposition 13 has been directed more at the poor than at minorities, and the fact that welfare entitlements were cut back last year (and may be again this year) is the main indication of that. Since the poor are the greatest users of governmental services, they are the big losers. Proposition 13 is viewed by some as a revolt of the middle class against the poor. The Los Angeles busing controversy became enmeshed in Proposition 13 reaction because the state

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provided funds to maintain the court-ordered busing operation in the city's schools.

Business. The biggest benefits from Position 13 accrued to those owning business property. A few corporations, such as utilities, returned their windfall to their customers. Some contributed all or part of their Proposition 13 gains to community organizations, such as United Way. Most treated the income as profits.

Landlords and renters. There is no general rule about the effect of Proposition 13 on rents. Theoretically, they should have been reduced almost universally. That was not the case. In fact, there were many reports of rent increases after the passage of the initiative. As a result, some communities, including Los Angeles, adopted rent-control ordinances.

Construction and housing costs. The cost of houses did not drop. In fact, Proposition 13 may have increased their value. That is because there is no longer a revenue incentive for cities and counties to approve the construction of new homes in areas where additional services will have to be provided. Also, local government dramatically increased fees and charges to developers.

Charitable organizations. United Way claims that all organizations depending upon public contributions to finance their operations were hurt by 13. There are three major reasons: More taxpayers will now not itemize deductions (and that reduces contributions): more people are looking to community organizations to provide services abandoned by government; and government support for these organizations has been reduced. This has been offset in part by major donations by some banks and other corporations.

Libraries and parks. These are among the big losers in the scramble for funds following the passage of 13. Some libraries are operating fewer days and shorter hours. Some are not purchasing new books and periodicals. Park and recreation budgets were slashed, and higher fees were instituted for use of facilities in many areas. Despite these cutbacks, a study by the Department of Finance indicates that there were no major cutbacks in local governmental services on a statewide basis.

Capital construction. Proposition 13 has virtually put an end to the sale of local bonds for major construction projects. The state has also reduced its capital-outlay budget.

Property taxes. Despite the 1975 base-year provision in Proposition 13, there are indications that there will be a signifcant growth factor in the property tax. This is because parcels are reassessed as they change hands, and there is a sharp increase in the value of all types of property. Because homes are sold more often than other types of property, the homeowner will gradually assume a larger and larger protion of the property tax burden. Could this lead to the next property tax revolt in California?

Other states. Immediately following the enactment of the Jarvis-Gann initiative, it was anticipated that similar measures would be passed in many other states. As it turned out, spending-limitation measures like the new Gann initiative did prove popular. But the Proposition 13 formula was passed in just two small states, Idaho and Nevada. And the Nevada measure will not become effective until it is approved by the state's voters a second time.

Thus far, then, the major effects of Proposition 13 have been more political than fiscal or structural. Local government is still alive and well. There are no major changes in the structure of government in California in the works. Life has become far more complicated for elected officials. But the real aftermath of Proposition 13 will not be seen until the state treasury runs out of bailout funds, if indeed that day ever comes.

Newsmakers

Arabian or Jefferson?

With Governor Brown out of state, Lieutenant Governor Mike Curb named Superior Judge **Armand Arabian** of Los Angeles as a presiding justice of the appellate court in Los Angeles. Returning to the state, Brown withdrew the nomination and replaced Arabian with Associate Justice **Bernard S. Jefferson.** Curb said he would press for the Commission on Judicial Appointments to accept the Arabian nomination . . . Last year, **Fred Lucero** of San Jose was ousted by the voters as a superior court judge. Last month, Governor Brown named Lucero to the municipal court . . . The Commission on Judicial Performance has signed a $250,000 contract with **Seth Hufstetler,** special counsel conducting the current investigation of the state Supreme Court.

State Justice Department investigators conducted a raid on the files of **Edward Masry,** attorney for former Lieutenant Governor **Mervyn Dymally.** Masry said he would sue Attorney General **George Deukemejian** and Lieutenant Governor Curb for using an alleged $10,000 payment from a church to Dymally as "a guise to obtain information" on the former lieutenant governor. Dymally said the bribe allegation is "ridiculous" . . . Curb agreed to address the supporters of a Democratic assemblyman, **Dan Boatwright,** chairman of the Ways and Means Committee. Boatwright has announced his intention to run for the state Senate next year. He will be seeking the seat of Republican **John Nejedly,** who has suffered a heart attack and is not expected to seek re-election.

Nuclear scientist **Edward Teller,** 71, indicated he may run for the Republican nomination for the United States Senate next year . . . Former police chief **Ed Davis** of Los Angeles has his eye on the state Senate seat of Republican **Lou Cusanovich,** who may retire next year . . . The United States attorney's office dropped its perjury case against **Louis Berger,** former law partner of ex-state Senator **Alfred Song.** That left prosecutors only one indictment to show for its two-year investigation of corruption in state government . . . It was revealed that slain Mayor **George Moscone** of San Francisco died some $200,000 in debt.

The treasurer and campaign committee of state Senator **Bob Nimmo** were fined $1,500 by the state Fair Political Practices Commission for 1976 campaign disclosure violations. Nimmo was not fined personally . . . An appellate court reinstated the FPPC suit against former Assemblyman **Tom Suitt** for an alleged failure to report the use of a state employee in his 1976 campaign.

Governor Brown made an unusually large number of appointments in late March and early April so that the vacancies would not be filled by Lieutenant Governor Curb during Brown's out-of-state travels. Among those named: **Thomas K. Houston,** acting secretary of state and consumer services, as chairman of the Fair Political Practices Commission; **Alice Lytle,** chief of the division of fair employment practices, as secretary of the state and consumer services agency; **Carla Bard,** Oxnard mushroom grower, to the Water Resources Control Board; **Gray Davis,** chief of staff, to the Horse Racing Board (Davis served a brief term on the board once before).

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FIRST TASK: 'GET OUR BUDGET'

Can B.T. Collins conserve the Conservation Corps?

By PATRICIA A. WASHBURN

The enthusiasm of many young recruits in the California Conservation Corps (CCC) is infectious. Even Governor Brown was visibly moved when he attended a graduation ceremony along with recruits and their parents. But some unmoved members of the Legislature aren't sure that the CCC is doing what it set out to do or that it is worth the money being spent.

The CCC ought to have everything going for it. The guiding concept is one that worked during the 1930s: Take a portion of the state's 18- to 23-year-olds, place them in barracks in the country, and put them to work on various public-service projects such as building hiking trails, restoring historical monuments, fighting forest fires and clearing debris from streams. The young corps members are supposed to learn good work habits and job skills that they can apply after their one-year enlistment is over.

About 1,100 corps members are now stationed in 18 CCC camps scattered around the state, mainly in rural areas like Angels Camp, Bishop, Yountville and Auburn. Corps members put in a full day for which they receive minimum wage ($502 per month minus $115 for room and board). The camaraderie that develops at some camps seems a long way from the legislative haggling over the CCC in Sacramento, where decisions about its future are being made.

Critics point to what they consider an excessive attrition rate, unmet goals and little impact on unemployment. As a result, Governor Brown has had to pull the program out of the fire more than once. In January he appointed B. T. Collins as the third director of the CCC in as many years. Collins, a Republican, replaces LeRoy Chatfield who served as director for about a year and a half and who is generally credited with getting the CCC on its feet after a meandering start under its first director, Boyd Harper. But Chatfield, formerly an aide to Cesar Chavez, also was criticized for putting too many United Farm Workers in key CCC positions. He resigned soon after a blistering review of the program was released last November by the Office of the Auditor General.

Collins was Brown's deputy legislative secretary before moving to CCC, and he is personally popular with many Sacramento lawmakers. Whether he can translate that popularity into support for his program is not yet clear. Many legislators view CCC as a ripe prospect for budget-cutting. Collins readily admits that his first task will be to "get our budget." (The Governor has requested about $22 million for the program in 1979-80.)

The new director can't be faulted for lack of activity. He quickly reorganized the corps' top staff and appointed an ombudsman from the ranks to keep him informed on field operations. He has staged unannounced visits at CCC camps and tried to bolster sagging staff morale with healthy infusions of positive thinking. But it will take all of the 38-year-old Irishman's salty charisma to convince a Legislature in a post-Proposition 13 mood that CCC deserves to live.

The barracks life

The Conservation Corps differs from an earlier program, the Ecology Corps, in several ways. CCC requires recruits to live in camp barracks and to participate in a lengthy "appropriate technology" program during non-working hours. The Ecology Corps had neither of these requirements. And while the Ecology Corps took men from 18 to 31, the CCC is for men and women 18 to 23. Women now comprise 35 percent of CCC members. Collins says his goal is 50 percent women. He claims that women stay with the program longer, do better work and make better crew leaders than men.

The Ecology Corps started when Ronald Reagan was governor. At first it was meant to be an alternative to military service for conscientious objectors; later it provided jobs for veterans of the Vietnam war. When the program merged with the CCC in July 1976, about 200 Ecology Corps members faced unemployment because of CCC age and residential requirements. Ecology Corps members resented the assimilation of their program. But in a deal worked out by the Governor, the CCC and the Department of Forestry, the displaced corps members were given the option of joining a state-supervised Forestry Youth Program.

Governor Brown launched the idea of a CCC in his 1976

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state-of-the-state address. The Legislature sped the bill through with barely a second glance. The Governor boasted then that his CCC represented a "new spirit" that he would like to see spread across the nation. But there is one catch: The legislation creating the CCC expires in 1981, so it must prove itself this coming fiscal year or die. That's where Collins comes in.

So far the CCC has met its goals with varying degrees of success. One big problem has been getting all 18 centers into operation. Finding facilities was often a slow process, and renovating the usually delapidated buildings delayed the conservation work. Now, with only two more centers left to locate, Collins must refine the program and sell it to the Legislature.

"We just are not getting our message across," Collins concedes. "Too often in the political world, the perception is the reality. If a newspaper says it, people generally believe it must all be true. Maybe we just need to get some of the positive things across . . . It doesn't make good headlines to point out that the program is only 20 months old and that 15 months ago there were only two centers."

Collins wants the public and the politicians to know about the benefits that come from CCC, some of which he admits are intangible. To join the CCC, Collins says, "You don't have to have a lot of education. You don't have to be unemployed, but you're going to have to accept some discipline and learn what hard work is. You're going to have to work in the snow, in the rain and in the mud . . . I can't believe that there isn't a ton of energy in 18- or 19-year-olds, and there's no reason they can't work 12 or 14 hours a day. The intangibles are whether we're building some character into these people, whether we're keeping some of them out of the criminal justice system . . . I'm no sociologist and I'm a very cynical son-of-a-bitch, but maybe this is an investment in the future."

A critical view

When the CCC was less than a year old, the Office of the Auditor General began a study of the program. The findings, released last November, were critical of the attrition rate, the type of projects selected and the program's minimal impact on youth unemployment. Chatfield, the director at the time, responded, "The report is very superficial . . . As a taxpayer I think people should know that this (state) report cost about $60,000 and took nine months to complete. The CCC has only been in operation 20 months so they (legislative auditors) have been with us almost half the time we've been in existence. They could have found out in one month what it took them nine months to find."

Collins took over two months later and has spent much of his time since then testifying before the various committees that will decide CCC's fate. He has already appeared before an Assembly Ways and Means subcommittee and the Joint Legislative Audit Committee, defending his program against these kinds of criticisms:

• *That CCC's project selection is weak and doesn't conform with legislative selection criteria.* Projects were supposed to have some benefit for the environment, display public-use opportunities and demonstrate on-the-job training value. The auditor general, while conceding that "most projects appear to be aligned with the intent of the legislation," cited six projects of questionable worth. One of these involved removing trees surrounding a rural airport runway to provide safer access for airplane traffic. Another involved gathering jojoba seeds on federal and state park land. (Oil from jojoba seeds may provide a substitute to sperm whale oil.)

Collin's response: "I have no guarantee that a well-worded proposal which is actually a marginal project won't slip through. That could happen." He also insists that project selection is a subjective exercise susceptible to different needs and interpretations. "I asked the project directors what they thought made a good project. And one said, 'I want something

that lasts, something that's not fly-by-night.' Then I asked somebody who used to be a center director what he thought were good criteria. He said, 'I want something where the kids learn something about themselves, where they learn the value of hard work.' And let me tell you what I'm looking for: I'm talking about a budget that's in trouble and I'm looking for something that's visible."

As a result of the auditor general's criticisms, CCC has changed its project selection procedures. Now selection reports come directly to the director for review. Collins thinks this change is good, although he emphasizes that most projects are not "just shaking trees so they could rake up the leaves." He also says that since the centers are more established, more effort can be put into project selection. "The morale of the corps members is directly related to the projects. Digging irrigation ditches or planting trees for days gets tedious and old. Now we can pick and choose a little more."

• *That CCC has had little impact on youth unemployment because there are no legislative requirements to hire unemployed youth.* Although the auditor general's report reprimands the CCC for its hiring practices, it also agrees that those practices comply with the law. According to the legislation, "Young men and women (must) be selected on the basis of motivation for hard work . . . without regard to their prior employment or educational background." The report suggests that perhaps the Legislature ought to instruct the CCC to enlist only unemployed youth. Collins comments, "So if he's employed and he leaves his job at the carwash, somebody else will take the job . . . We don't want this to be just a jobs program where somebody finds a home."

According to the CCC, 46 percent of the corps members were unemployed prior to enlistment; the auditor general's figure was 9 percent. Part of the discrepancy results from differing definitions of "unemployment." The auditor general defines "unemployed" as someone who had a job but is now unemployed and looking for another. Students who have never had jobs are not considered unemployed. The CCC, on the other hand, considers anyone who did not have a job before joining, even students, as unemployed. Gustavo Duran, a special assistant to the director, says, "Economists differ on how to define the terms, and how you define the terms will give you the figures you want. It's a definition game all along."

Collins doubts that the CCC could possibly make a sizeable dent in unemployment statistics. "I don't see how 1,100 or 1,400 or 1,600 corps members can have a major impact on unemployment statistics in the state. You have to look at the intangibles again. Are we producing a more responsible citizen? Are we building leaders for tomorrow? Are we teaching them some pride in themselves? Is that the state's responsibility? The Legislature must decide that."

• *That CCC's attrition rate is excessively high.* The CCC hoped to have 1,600 corps members by the end of the 1978-79 fiscal year. That figure will be closer to 1,400 because the attri-

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tion rate has been greater than expected. The corps acknowledges that its attrition rate for the first year was about 61 percent, and it does not expect that figure to be immediately reduced. Part of the reason for the attrition rate, says Collins, lies in the nature of the program. The CCC demands a day of hard physical work from each recruit, and adherence to strict disciplinary standards. "There will be no booze, no dope," Collins says. "Any sign of violence, you're fired. You refuse to work, you're fired."

The CCC should expect attrition, Collins says. "They can fire me, but I am not going to sacrifice safety or (lower disciplinary standards) to keep people in. I'm not going to do that. I want the CCC to be something that people aspire to."

Attrition may also be related to recruitment techniques. Until last July, the CCC did its own recruiting. Then the Employment Development Department (EDD) took over that job. Currently corps staff members are training EDD people to present a realistic picture of the CCC to potential recruits. Apparently many new corps members entered the CCC thinking they were going to a scout camp-out in the woods, Collins says. They didn't realize that it also meant a lot of hard work.

To reduce dropouts, CCC uses its training academy, where all new recruits are sent for a month, as a screening center. Collins estimates that 30 to 50 percent drop out or are fired from the academy. As many as one-third may leave within the first week. "I don't mind the attrition from the academy because that's our first shakedown. That's where we really do our screening. And it's probably the only place we can do it."

The urban cuts

Two urban centers that were part of the original legislation were cut from the budget as a result of Proposition 13 reductions. "Everybody had to cut 10 percent," Collins says, "and that was our 10 percent. There's no question that we made a commitment and we simply did not honor our commitment." But urban centers are more costly and more difficult to house, he adds. "There are no facilities in neighborhoods. About 70 percent of our corps members come from the cities and I'd rather take people out of the cities and put them to work in the hills. Another answer may be to develop more urban projects. We're working on that."

Democratic state Senator Jerry Smith of Saratoga carried the original CCC legislation and he wants an urban center. The urban areas contain the highest unemployment, he argues, and some centers should be there. "I'm not happy about them being cut from the budget, but I understand also that it was part of the idea about cutting back . . . I think ultimately the urban center idea will have to be addressed."

Smith also happens to be chairman of the Senate Finance subcommittee that deals with the CCC. "That's absolutely fortuitous," he says, "and when the CCC comes to my subcommittee I am going to try to open up the question of the urban centers and see whether there is some other place we can get money from the budget."

Assemblyman Norm Waters has questioned the 10 percent cut from a different perspective. At an Assembly Ways and Means Committee hearing he worried that the CCC was being given special treatment because "it is Brown's pet project." He wondered whether dropping plans for two centers that weren't in existence was really a cut at all. Jack Dugan, chief deputy director of the CCC, insisted that it was. "We don't only lose two centers, or 120 corps member-years, but also 26 staff positions. We can't just cut dollars. We must chop off a piece of the program, and that translates into dollars."

The long beginning

A major handicap for the corps was its drawn-out beginning. It took five months after the legislation was passed to choose a site for the first camp. In March 1977 the first group of 63 recruits was graduated. By that time CCC was 90 percent behind schedule. Instead of the 700 corps members promised by March, there were 63. Instead of 11 camps, there was one. Jacques Barzaghi, who at that time was acting as liaison between the CCC and the Governor, offered one defense: "Every birth takes nine months."

But CCC continued to be attacked by legislators and the press. Governor Brown has said that the CCC is not really behind schedule and that he is not worried about meeting "some self-imposed yardstick for the number of corpsmen and camps once promised."

But Collins, a political realist, is worried. He knows that the corps' future may depend as much on politics as it does on the program's actual performance or future potential. After all, a Legislature at odds with a governor who preaches budget cutting may choose to practice what he preaches on one of his favorite projects.

(For a profile of Collins, see "The outrageous B. T.," *CJ*, December 1977.)

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Is the Coastal Commission overstepping its authority?

By CHUCK THOMAS

The 4½ million voters who bought Proposition 20 as a watchdog for the California coast six years ago may now wonder: How much was that doggie in the window? The $1¼ million puppy of 1972 has grown into a $12 million police dog in 1979.

The ballot description of Proposition 20 read: "Financial impact: Cost to state of $1,250,000 per year plus undeterminable local government administrative costs." The budget for the California Coastal Commission for the current fiscal year is $12,050,303.

That's an increase of 700 percent over the price tag on the ballot. Why the difference? Michael Fischer, executive director of the Coastal Commission, says both numbers are misleading. There always has been, and still is, federal money involved — even in the Proposition 20 days. Also, the commission's budget was never as low as $1¼ million — that was only California's share of it — and Californians pay only a little more than half the commission's current budget directly. More than $5½ million come from federal funds.

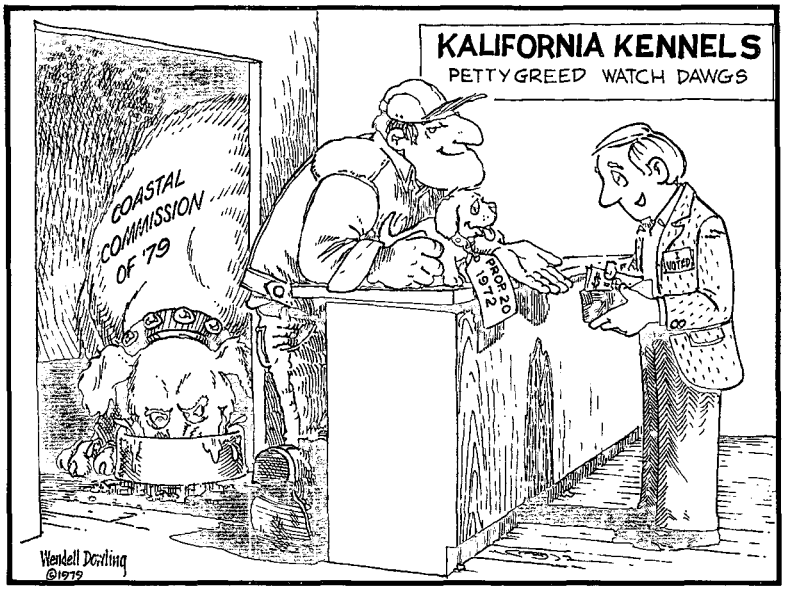
But high cost is not the chief complaint about the state Coastal Commission. Criticism has been building on several fronts, and even some former friends of the commission are complaining about its record. An organization called California Coastal Council — claiming more than 7,500 dues-paying members — charges that the commission has greatly overstepped its authority. In Sacramento, dozens of bills have been introduced to restrict commission powers and to exempt big chunks of the Santa Monica Mountains from its jurisdiction. Swamped with complaints from constituents, several liberal legislators who are normally friendly to environmental causes have voted to trim the commission's powers.

At a spring conference of commission staff and environmentalists, even the chief author of the Coastal Act of 1976 told his listeners they are in trouble. Senator Jerry Smith of Santa Clara cited the 43 bills already introduced to trim commission powers and criticized what he called an overemphasis on the coastal permit process.

"You have been so focused on that process that you have become like a city with an 1,100-mile boundary reaching five miles inland — engaged in day-to-day land use decisions," Smith warned.

The planning game

One big reason for the controversy is the fact that the California Coastal Act of 1976 greatly expanded the mandate of the Coastal Commission as defined in Proposition 20. The function of the state commission and the six regional commissions was primarily regulatory from 1972 to 1976, but now the function is only about half regulatory, according to Executive Director Fischer.



The other half — about $6 million in the current budget — is not for regulation but for planning. Under the act of 1976, each local government within the coastal zone must adopt a Local Coastal Program (LCP) — a land-use plan, including zoning. Fischer says the state is providing local governments $3½ million to cover the cost of LCPs. Some local government officials say the state is providing more than money: The state is also providing the LCPs.

David Eaton, a member of the South Central Regional Coastal Commission and a Ventura County supervisor, says, "The term 'Local Coastal Program' is a misnomer. There's nothing local about them. The LCPs are being written by the Coastal Commission staff."

Besides the mandate to prepare LCPs, the law of 1976 gave the commission a broader mandate as a regulatory agency. Some critics of the commission believe that mandate has been misread. The most controversial of the commission's policies has been in requiring dedication of easements to provide public access to and along the beach.

Property owners complain that they are caught in a legal Catch-22: If they try to prevent public use of the beach, the commission cites that as proof of the need to require an easement. But if homeowners don't prevent public use of the beach, the commission cites that as proof the public already owns the beach via prescriptive rights.

One well-publicized conflict arose last year when the commission tried to force residents burned out by the

Chuck Thomas, executive editor of the Ventura County Star-Free Press, *has gone to court to fight Coastal Commission conditions attached to his permit for a seawall protecting his oceanfront home.*

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Malibu Beach fire to grant public access over their property as a condition for getting permits to rebuild. Governor Jerry Brown, running for re-election at the time, called the commission's effort a "high water mark of bureaucratic excess" and added, "It is no time to be playing games and acting like bureaucratic thugs."

Since then the commission has been fair game. Some of its strongest supporters are worried that they will not be able to limit attempts to curb its powers.

Fischer says the commission is entrusted with insuring public access to the beach, by whatever means. There have been dozens of suits challenging the commission's authority to impose easement dedications. Some have resulted in rulings favorable to the property owners at a lower court level, but most of these were later overturned by higher courts.

Few property owners can afford the delay or the legal fees involved in suing the Coastal Commission, so they tend to give up and grant the easement. Because of that and the commission's batting average in court, the dozens of lawsuits now pending against the commission hardly frighten Fischer or the commission, but one of those suits is worth noting.

It's a quasi-class-action suit on behalf of a number of property owners up and down the state — including movie star Burgess Meredith — filed by Pacific Legal Foundation, a non-profit, public-interest law firm in Sacramento. PLF is a conservative counterpart to legal aid organizations concerned with the rights of welfare recipients, farmworkers and tenants. PLF is challenging the commission's right to require easements, and the PLF track record in court rivals even that of the Coastal Commission.

(PLF recently won a suit filed in San Diego County, challenging the constitutionality of portions of the state law requiring a certified-safe method of disposal of nuclear waste before any new nuclear power plants can be built in California. PLF claimed, and the court held, that federal law preempts state legislation in regulating nuclear waste. If upheld on appeal, the ruling could open the door for development of the Sundesert nuclear power facility. Rejection of the Sundesert project was the basis of PLF's suit.)

The Coastal Commission's opponents have banded together in the California Coastal Council, headquartered in Santa Barbara. The president, Joseph Mastroianni, denies the council's aim is to repeal the Coastal Act of 1976 or to dissolve the Coastal Commission. But he says, "That may be the result if the Coastal Commission doesn't quit overstepping its authority."

The Coastal Council has compiled a list of comission "horror stories": the woman in Malibu whose house burned down after the regional commission had delayed a permit for her to cut a firebreak around the house . . . the Little League in Humboldt County that took two years to get a permit for a baseball diamond on land given to the league . . . the man in Mendocino County who couldn't get approval to build on his lot for five years because the Coastal Commission thought his property should be part of a park, even though he had a letter from the State Parks Department denying any intent to acquire the property . . . the Ventura County judge who was told he needed a coastal permit for an illegal roof, even though the roof was illegal (in height) because it had been twice mismeasured by a member of the Coastal Commission staff.

Fischer says he's as horrified as anyone else at such stories, but he thinks some have been distorted. He believes it's inevitable that the Coastal Commission and permit applicants will wind up in an adversary relationship because, "by law, the commission must restrict what they can do with their property." Fischer concedes some changes in coastal law may be reasonable, but he opposes most of the changes being suggested. One, by state Senator Lou Cusanovich who represents part of Malibu, would relieve the commission of the authoriy to impose easements.

Neither would Fischer support any change in the appeal process, which will remain in effect after LCPs take over for regional commissions. Now, the agenda for the state commission is determined largely by organizations like Coast Watch, which make a semi-profession of appealing coastal permits granted by regional commissions. All it takes is a letter to the commission, with a copy to the applicant, and both the commission and the applicant must review the regional decision at a state meeting, even if no hearing is granted. Attorney Stacey believes a modest appeal fee, perhaps $25, would discourage frivolous appeals. The fee could be returnable to the appellant if the state commission upheld the appeal.

The change most critics think most important would be a restriction on commission authority on condition permits resulting from natural disasters — where a house has burned down, for example, or where a seawall is needed to save a home from destruction.

Such a change could be achieved without legislation, according to commission critics, by changing the kind of commissioners appointed by the governor, the Senate Rules Committee and the speaker of the Assembly. (Each appoints two commissioners to each regional commission and two to the state commission.)

The act of 1976 states, "The governor, the Senate Rules Committee and the speaker of the Assembly shall make good faith efforts to assure that their appointments, as a whole, reflect, to the greatest extent feasible, the economic, social and geographic diversity of the state."

Ventura County Supervisor Eaton says, "What diversity? They're all environmental vigilantes." Eaton believes the various commissions' elected members are far more responsive to the public than the "public" members appointed by Sacramento. However, the new chairman of the state commission is an elected official: Dorill Wright, mayor of Port Hueneme. All previous chairmen have been appointees.

Increasing access

Even though he's concerned about the commission's focus, Senator Smith says he sees no need for major revision of the Coastal Act which he authored. He concedes "some unfairness" in individual cases, but he is generally pleased that public access is being increased. "The law is working reasonably well, when you consider that we're dealing with 1,000 miles of coastline," Smith says.

Environmentally oriented constituents feel that the present law doesn't go far enough and that the commission has been too lax as a guardian of the coast, according to Smith. They cite statistics showing that the commission is granting permits for more than 90 percent of the applications submitted and claim that the commission doesn't say "no" often enough.

But commission critics say such statistics are misleading. If a property owner is granted a permit on the condition that he dedicate a considerable portion of his property as a public easement, that shows up in the statistics as a permit granted — even though the conditions of the permit are far more acceptable to the Sierra Club than to the property owner.

Whatever the changes in the law — if there are any — and whatever the court decisions, Fischer envisions a state Coastal Commission staff two-thirds as big as the existing one, even after 1981. Two-thirds of the present budget would be $8 million a year, not counting inflation. Obviously, today's coastal watchdog isn't about to revert to the puppy the voters bought in 1972 — unless the Legislature puts some kind of a muzzle on the Commission.

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The political resurrection of Chairman Richard O'Neill

By LARRY PETERSON

As recently as two years ago, Democratic state chairman Richard J. O'Neill, an eccentric and successful cattle baron and campaign bankroller, had all but lost his separate identity. In the years following the 1974 elections, he was best known as the second half of a media-created, hyphenated personage called Cella-O'Neill.

The multimillionaire godfather of the Orange County Democratic Party had used his cash and fund-raising talents to draw big money into the party's local coffers. At the same time, a population influx began to make Orange County's electorate more like that in the rest of the state. Those two factors rescued county Democrats from their status as an endangered species in a region known for its reliably conservative and sometimes kooky brand of Republican politics.

For those successes, O'Neill was rewarded with three terms as chairman of the county Democratic Central Committee and, in 1974, with the party's southern chairmanship. Nevertheless, by late 1975, many Orange Countians were missing the hyphen in news stories and were surmising that local politics was dominated by a rather unsavory fellow named Cella O'Neill.

The first half of the amalgamated identity was Santa Ana physician Louis Cella, O'Neill's personal doctor, sometime business partner, and one-time associate in political largesse. In 1974 he and Cella teamed up to give more than $1 million to various candidates and political causes. More than $700,000 of it helped to elect Ken Cory, then an Orange County assemblyman, to the state controller post.

There was one hitch. Although the doctor later won an appeal, a federal court jury found that Cella had bilked the government and two hospitals which he and O'Neill owned to raise most of his share of their joint venture in campaign financing.

It was never argued that O'Neill had any knowledge of Cella's schemes. Indeed, Cella wasn't even a Democrat; he was a nominal Republican who, separately from O'Neill, donated more than $150,000 to GOP candidacies. Yet O'Neill spent most of the next several years trying to live down the Cella connection. He was defeated for re-election to the Democratic southern chairmanship in 1977 and then virtually dropped out of prominence in party affairs. The local party's electoral fortunes continued to improve, but they were clouded by Democratic officeholders' and candidates' high profiles in the scandals that have dominated Orange County politics in recent years. Some GOP stalwarts also generated their share of notoriety. But Democrats certainly held their own in what sometimes appeared to be a contest for the dubious honor of which party could draw the most indictments. Charges against various elected officials included perjury, bribery, fraud, conspiracy and violation of election laws.

A birthday bash

So when 700 persons gathered at Disneyland Hotel in May 1977, to honor O'Neill on his 54th birthday, the event had at least some of the markings of a "This Is Your Life" session — in short, a retirement party.

"I haven't seen this many Democrats in one spot in Orange County," quipped Cory, one of the celebrants, "since the last grand jury indictments."

Holding aloft a mock telegram from President Carter (whose only 1976 campaign stop in Orange County was at a fund-raiser on O'Neill's 42,000-acre ranch near San Juan Capistrano), Cory read that O'Neill "holds a special place in the hearts of the Carter family since my brother, Billy, pat-

Larry Peterson is a political reporter for the Orange County Register.

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terned his whole life after you."

To color in the picture outlined by the controller, other Democratic leaders took turns raking the beefy (six-feet, 250 pounds) rancher over the coals. His style of dress was described, with only a little exaggeration, as "early unmade bed." Speakers also testified to his reputation for wearing mismatched socks and his reluctance to pick up bar tabs.

The birthday party was no wake for the Orange County Democratic Party or for O'Neill's political career. As a matter of fact, it was a fund-raiser, and the $14,000 take was more than ever before raised at a local party function.

But could the Democrats ever again rule the registration roost in the county? (They had done so briefly in 1960 and from 1936 to 1944.) The idea appeared unlikely to nearly everyone but O'Neill and a band of colleagues who, as he phrased it, had "gotten tired of those jokes about Orange County Democrats meeting in a telephone booth." They decided to "go for the county."

It was an uphill fight, and O'Neill and his allies knew it. There was a pun applied to the 1977 campaign: The Republicans got together to compare notes and tried to play the Cella for all it was worth. But voter backlash apparently expired long before the statute of limitations for prosecuting real or imagined political crimes. In any case, O'Neill says, "the Republicans sort of went out of business. So I went around raising money from some of the same places they did."

Clearly the Democrats benefited from Watergate and demographics: The county's newcomers shifted the electorate toward the Democratic party. But a new registration law, in effect since 1976, also helped. Under the new law, a voter can register by completing a postcard form and mailing it back to the county registrar of voters. Anyone — even the 14-year-olds whom both parties hired to scour the county for new voters — can circulate the cards.

Tapping the reservoir

The easier registration process was made to order for a Democratic voter drive. O'Neill says he already knew that there was a reservoir of unregistered Democrats just waiting for someone to fill out their cards. So he opened up the spigots of cash that he had virtually closed since 1974, letting more than $92,000 flow into party registration coffers. In addition, he helped several candidates, giving $30,000 for the re-election effort of Governor Jerry Brown. Then O'Neill convinced Brown, an occasional guest at his ranch, to kick back $25,000 into registration efforts in Orange County. The Democrats poured $75,000, much of it O'Neill's, into the registration drive. Hundreds of workers, about half of them paid, worked on "Operation Big Push," and finally put the Democrats over the top. At deadline time, Democratic registrations surpassed those of the GOP by 3,015. (Early this year, the GOP regained a slim margin.)

The fulfillment of the impossible dream came last November, when a Democratic gubernatorial candidate carried the county for the first time in its history. So did an unprecedented three other members of the party's statewide slate: Secretary of State March Fong Eu, Controller Cory and Treasurer Jesse Unruh.

It was then time for O'Neill to "go for the state" and seek the party chairmanship. His opponent was Alice Travis of Los Angeles, a prominent party leader and women's activist who gained additional exposure while stumping with Brown as his re-election co-chairwoman.

O'Neill did not take his election for granted. Spending more than $20,000, he criss-crossed the state for almost three months, visiting more than half of the 58 counties. At the party's state convention in Sacramento in late January, delegates were left with no doubt about who wanted the top job. At every hotel where conventioneers were billeted, there was a hospitality suite paid for by O'Neill. At the capital's convention center, the meeting rooms were covered with orange and white banners for the candidate. There were also O'Neill lapel buttons and an eight-page newsletter, dubbed "The California Democrat," carrying puff after puff for O'Neill.

By the time the opening gavel fell, his floor leaders bluntly predicted that their man had "no problem". But there were about 300 uncommitted delegates who could create one if they were stampeded in Travis' direction. So a platoon of O'Neill operatives worked the floor as though it were a roundup on the boss's ranch, corralling uncommitted delegates and keeping those fenced in who already wore the O'Neill brand.

Liberal Tom Hayden, unsuccessful U.S. Senate candidate in 1976 and leader of the Campaign for Economic Democracy, backed Travis; but that wasn't enough. O'Neill won by an unexpectedly large 1,188 to 595 margin.

Under the umbrella

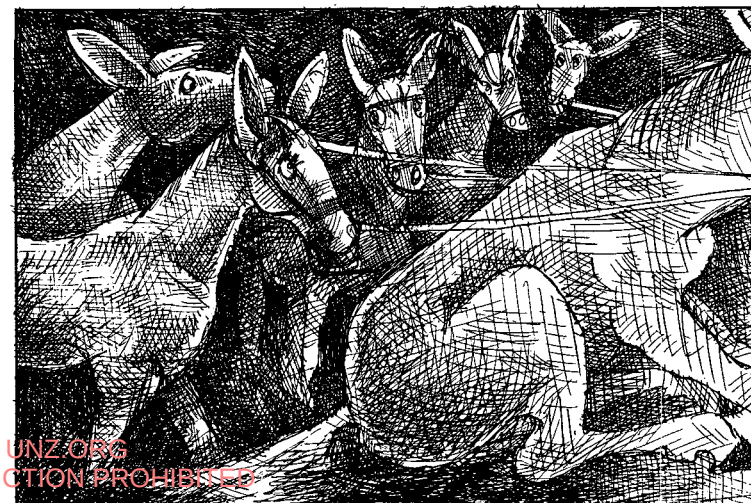
O'Neill describes himself as a "moderate" and he views political questions in pragmatic and historical rather than philosophical terms.

Politics, he says, means "organizing to forward the mutual interests of different groups, all working under the umbrella of a political party." Then he adds: "People ask me, 'How can you be a millionaire and be a Democrat?' I never thought of it that way. I wasn't a millionaire to start with. The land just got more valuable. When I was a boy, I'd say we were pretty well-fixed, but I didn't think of us as rich. There wasn't a class difference between us and other people. . ."

From the days of his youth, he recalls, he formed the impression that the Democrats were "the guys you could go and talk to about small problems." Small businessmen are "alarmed about all the red tape and stuff they have felt under the Democrats," O'Neill says. "But take Nixon and Ford. We have twice as much federally mandated paper work at the ranch than 10 years ago."

O'Neill, a sixth-generation Californian, spent much of his childhood on the family ranch. When it was purchased by O'Neill's grandfather in the 1880s, it covered about 250,000 acres in Orange and San Diego counties. The San Diego portion was detached in 1941 when the government bought up all but 53,000 acres for the Camp Pendleton Marine base. An additional 11,000 acres has been developed into the south Orange County community of Mission Viejo. The potential value of the remaining land, on which O'Neill grazes thousands of cattle, is estimated at more than $1 billion.

Despite the significance of his wealth to his political career, O'Neill didn't just buy his way into prominence in the party. He has a first-hand acquaintance with nuts-and-bolts politics that dates back to 1948 when he worked, admittedly as a "flunky," in the Truman campaign in San Luis Obispo County. He dabbled in Los Angeles County politics



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in the 1950s, working for various candidates, helping to form a local Democratic club, and serving as a delegate to the party's national convention in 1956. He first got involved in Orange County politics in a major way in 1962, directing the local campaign for Pat Brown.

"I had worked in the Kennedy campaign some in 1960," he recalls, "but I had never run a campaign. It was just a hopeless situation (for Brown in Orange County). I guess he figured, 'Why pay someone to come down here and lose?' Although Brown was elected, his opponent, Richard Nixon, carried Orange County by 76,000 votes.

O'Neill became a member of the Orange County Democratic Central Committee in 1964 and soon moved up into leadership positions. He continued to hold an expanding interest in restaurant chains, liquor stores, real estate investments, horses and cattle, but most of his time was devoted to politics.

"It's the excitement," he said, trying to explain the allure of political life. "It's like playing at the crap tables or being a big bettor on football games. There is a certain excitement to the political process that a lot of people can't understand or believe. To be part of a campaign really gets me going — that's what kept me in politics."

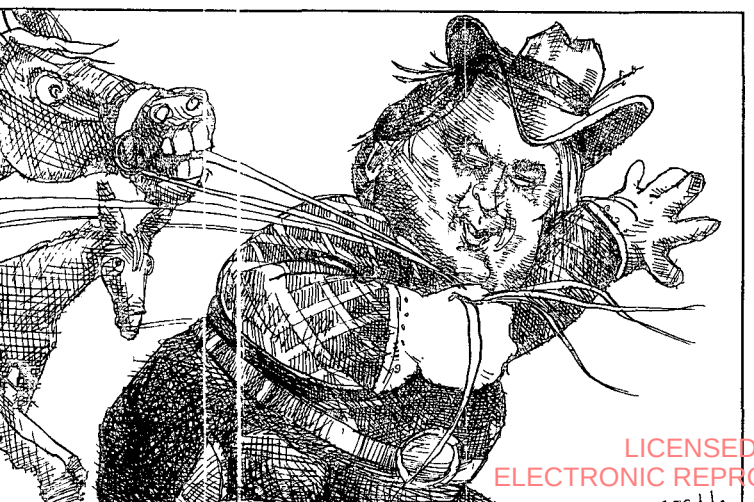
O'Neill sees real trouble ahead for the Democratic Party if the correct moves are not made: "We're in a position where we could lose big. There are going to be almost no safe districts for us in 1980."

The new chairman speaks of the importance of the Democrats electing more minorities and women to various offices and somewhat more vaguely about "reforms" to shift power from the party's state legislators to its grass-roots local activists. But invariably he returns to the subject of money. O'Neill is chagrined that, at least in races not involving incumbents, the Republicans have gotten most of the money handed out by an increasing number of business and professional political action committees (PACs).

"The head of the PAC is usually a Republican," he says. "Lots of times, he's some junior attorney with one of the member companies and he got stuck with the assignment. He goes to the Republican Party and tells them what kinds of candidates they'll support. The candidates say what they're supposed to say and they get the money.

"I go to them and they say, 'Your candidate is against such and such.' Hell, they wouldn't give money to one of our candidates because they thought he was a big spender. That's because he voted for the budget. They're almost to the right of the Republican position, and they pull everyone to the right . . .

"It's a beautiful laundry operation for the companies. When they have to operate on their own, they're afraid of the governor or the speaker. But with the PACs, they can say they're not responsible for whom the money went to. They're technically correct, because you can't name the candidate you want your money given to when you give it to a PAC. But it's also a big cop-out . . .



"There is not really very much that I can do about it unless they change the law to tighten the limit on how much they can give . . . We just have to go to different people, individuals who will, for fellowship, friendship or whatever, contribute to us."

While not writing off big money men like himself and the PACs that he concedes the Republicans have dominated, O'Neill thinks his party can cash in big on small donors. He believes the state organization can raise $75,000 or more a year from persons who pledge to contribute $5 to $10 a month. In Orange County, he helped set up such a program in 1971. Under the program, dubbed "Volunteers in Politics," donations were deducted from personal checking accounts and transferred to the party treasury. O'Neill tried to enlarge the scope of the program when he served as Southern California chairman, but he concedes that the expanded plan didn't work as well as he would have liked.

Overall, O'Neill contends, successful fund raising is a matter of access — "knowing who to go to and how to get there." That, he figures, is his long suit, and it is the basis of his confidence that he will keep the party afloat financially.

Grassroots and money

But O'Neill is not optimistic about enlarging the role of grass-roots volunteers in the party: "I had more volunteers in my campaign for chairman than a lot of people who are running for regular office. I had something for them to do . . . But most major campaigns these days are necessarily media-oriented, and that leaves relatively little for the volunteer to do."

O'Neill worries about the the division created by "single-interest" advocates within the party. "It's okay to be a liberal or an environmentalist." he says, "but we need people who are Democrats first. I think both parties could disappear. Everyone is trying to act non-partisan, like a county supervisor. They don't need the party anymore because of TV and the other media . . . If the party goes under, the only place left for candidates to go to are special-interest groups. If we want to stop that from happening, we've got to get more people involved in contributing to the party."

Despite what he concedes are the good intentions behind them, O'Neill says he is "a little leery" of proposals for public financing of campaigns, because he believes that would lessen candidates' reliance on the parties even more.

O'Neill says he is alarmed about the running feud between Brown and Assembly Speaker Leo T. McCarthy. He is also uneasy about Brown's call for a convention to force a constitutional amendment on balancing the federal budget — as well as the Governor's undeclared but obvious presidential candidacy.

"I understand what the idea is," O'Neill says of Brown's strident rhetoric against deficit spending. "He thinks there is a lot of support for it. But I don't see it as the way to win the presidency. He has too much competition from Jarvis."

The new chairman said he hopes the Governor "will come to his senses" and abandon his bid for the White House. "It would be difficult, even if he won, almost an abandonment." he says, referring to Republican Lieutenant Governor Mike Curb who would succeed Brown if he were elected. "He's the governor and I'm the chairman. It would be kind of hard not to go with him if he decides to go. But I'm not going to be a spokesman for it."

O'Neill sees his major role as trying to hold the party together. And how does he plan to go about it? "I have learned," he says, "that the only way you can get people to do things is to ask them personally. And then you have to bug them until they get it done . . . and sometimes you wind up doing it yourself. I feel I'm in a position where I can talk to anyone in the party. I've got to get out there and meet people personally. I'm going to be on the road a lot . . ."

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Welfare

'Deserving' versus 'non-deserving' poor

PHOTOS BY EVAN NOSSOFF

In an effort to reduce the state budget, Governor Brown has been attempting to make significant changes in the state's health and welfare system. He is seeking a basic reform in the Medi-Cal system and at least a temporary end to automatic cost-of-living increases for welfare recipients. In the following two articles, the basic issues involved in the Brown Administration proposals are examined.

By Maureen S. Fitzgerald

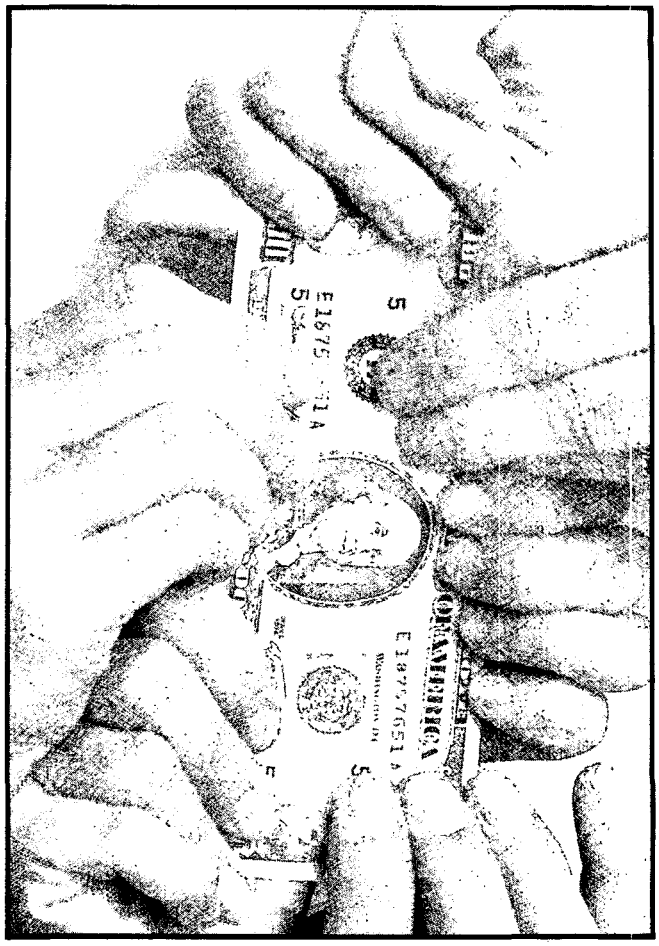
In poll after poll since Proposition 13, California voters have identified welfare as their first choice for cuts in government spending. Yet welfare expenditures have risen slightly since the Jarvis-Gann initiative was approved, and the Legislature is now considering whether to grant an increase of 6 percent or 15.7 percent to recipients for the 1979-80 fiscal year.

Last year's state bailout of local government provided $1.1 billion for the state to assume the lion's share of county health and welfare programs. The Legislature also provided for a small cost-of-living increase for welfare recipients, but that was vetoed by Governor Jerry Brown when he also vetoed a proposed pay hike for state workers. The Governor said that his vetoes would keep more public employees on the job.

Brown's $4.4 billion bailout plan for next year again includes funds for state buyout of county health and welfare programs. The Governor has included funds for a 6 percent increase in welfare grants — even though the law calls for a much higher cost-of-living adjustment (15.7 percent). The complex law links annual grant increases to changes in the consumer price index. Because of Proposition 13, the Legislature last year suspended use of that formula. Brown is proposing that the formula be set aside again this year.

Legislative liberals, led by Assembly Speaker Leo T. McCarthy, are fighting for the 15.7 percent increase. Republican leader Paul Priolo says the GOP probably would go for the higher figure to help the aged, blind and disabled but not those under the aid-to-families-with-dependent-children program. Priolo contends many AFDC recipients are capable of getting jobs and supporting themselves.

In California there are two major welfare programs. AFDC provides case grants to needy parents and children. The Supplemental Security Income/State Supplemental Payment (SSI/SSP) program provides cash grants to aged, blind and disabled persons. Under the SSI/SSP program, the federal government pays $190 a month for a single aged person and $284 a month for an aged couple. Each state has the option of supplementing that federal grant by whatever amount it deems proper. In California, the SSI supplement is $117 for an individual and $290 for a couple. (See box for current grants and for those under the proposed 6 and 15.7 percent increases.)



In order to be eligible for the SSI/SSP program in California, a person must have a monthly income below $307, limited assets and not more than $1,500 in the bank. The value of a car and a house are excluded from assets in determining eligibility.

How do California's grants compare with those in other states? Even without any state cost-of-living increase this year, California's payment level is the second highest in the country for an aged individual and the highest for an aged couple. Some examples: Individual — Massachusetts, $315; California, $307; New York, $250; Pennsylvania and Michigan, $221. Couple — California, $574; Massachusetts, $480; New York, $360; Pennsylvania, $332. Some states — Florida, Tennessee, Ohio, Georgia, Texas and Mississippi — do not provide any supplemental funds.

MONTHLY CALIFORNIA WELFARE GRANTS LEVELS

	Actual 1978-79	Proposed 1979-80	
	Current payment	6%	15.7%
Aged/disabled-single	$307	$326	$354
Aged/disabled-couple	$574	$608	$665
Blind-single	$345	$366	$399
AFDC-2 persons	$287	$304	$332
AFDC-3 persons	$356	$377	$412
AFDC-6 persons	$543	$576	$628

According to federal statistics, there are about 4.3 million SSI recipients in the country. California, with one-tenth of the total population, has about one-sixth of the recipients. The state Department of Social Services reports that

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California spends more money supplementing the federal checks of its 700,000 aged, blind and disabled recipients than all the rest of the other states spend on their 3.6 million claimants. And there's another bonus in California: Anyone qualifying for an SSI/SSP check — regardless of the amount — is automatically entitled to free health care under the Medi-Cal program.

The California system actually guarantees the aged, blind and disabled under SSI/SSP a higher income than the average monthly benefit under the federal Social Security program. State records show that 66 percent of the recipients receive income from Social Security and private pension plans, and they are thus eligible only for the difference between their outside income and their total grant entitlement. The typical amount of other income is $184 a month.

A central part of the current controversy is the competition between the "deserving" and "non-deserving" poor. To some lawmakers, those on AFDC are considered non-deserving, and the aged, blind and disabled are adjudged deserving. As the box indicates, grant levels already reflect this view.

The cash available

Governor Brown's budget shows cash payments this year of $1.6 billion in state and federal funds for the 700,000 aged, blind, and disabled recipients and $1.9 billion for 1.4 million AFDC beneficiaries. The budget does not show that 15 percent of the AFDC recipients have jobs producing $200 million of income, and that 66 percent of those on SSI/SSP have outside income of $1.1 billion. When these factors are included, the bottom line looks like this:

- Disposable income of 700,000 aged, blind and disabled recipients totals $2.7 billion.
- Cash available to 1.4 million AFDC recipients (500,000 families) is $2.1 billion.

The difference between providing the 15.7 percent increase instead of the 6 percent sought by Brown would be an additional $295 million. AFDC families would get $70 million; the other $225 million would go to the aged, blind and disabled.

Marion Woods, director of the Department of Social Services, says that disparities between the two categories of beneficiary reflects the American ethic of the deserving versus the undeserving poor. But there is a political consideration as well: The aged form a potent voting bloc; welfare mothers do not.

Do California's generous grant levels and health benefits attract poor people from other states with lower welfare payments? If so, is the state concerned about it? Woods says he would rather see officials of other states raise their grants than have California reduce benefits. But he does admit that his department is receiving an increasing number of letters from aged individuals inquiring whether they would qualify for California's SSI/SSP payments if they move here.

The current controversy over welfare grants may produce some airing of basic questions, such as:

- Is it fair to give those on welfare a 15.7 percent increase while retired state workers and teachers can get cost-of-living boosts of only 2 percent a year under state law?
- Should the automatic-increase law be changed in the light of Proposition 13, especially since it apparently can be waived whenever the governor and Legislature desire to do so? What would happen if Governor Brown blue-penciled appropriations designed to fulfill obligations under the current law? Would the court sustain his veto?
- In a Proposition 13 world, is there any place for formulas that mandate increasing government costs without regard to government revenue?

Medi-Cal

In or out of the health mainstream?

By Dorothy A. Kupcha

Every day this year, California taxpayers will spend about $11 million dollars to support the state's Medi-Cal program. Skyrocketing costs and growth of the program have forced Medi-Cal's budget from about $900 million in 1968 to above $4 billion dollars in 1979. Medi-Cal alone eats up more than 14 percent of the entire state budget. In the atmosphere of fiscal restraint brought about by Proposition 13, politicians are feeling the pressure to put the brakes on a program whose costs are running out of control.

About 3 million persons are enrolled in Medi-Cal. One obvious way to cut costs would be to reduce the number of people eligible to receive benefits. Another would be to cut back on the amount of benefits they receive. But that would defeat the basic purpose: to provide medical care for people who can't afford it. It would also dump responsibility for those people onto the counties, which by law are the medical providers "of last resort" for people who have nowhere else to turn. In the wake of Proposition 13, the counties are in no financial shape to shoulder that additional responsibility.

The cost-cutting solution appears to be in finding a cheaper way to provide Medi-Cal services. In his state of the state address, Governor Brown recognized this: "We must remember that providers (doctors and hospitals) do not have a constitutional right to all the Medi-Cal dollars that they would wish to have . . . The Medi-Cal program can be reformed and can be improved without hurting the beneficiaries and in fact getting a great deal more for the money we're now putting in."

With an eye to the Governor's mandate to cut costs without cutting back services, state Health Services Director Beverlee Myers developed a list of Medi-Cal reforms. Most of them have been incorporated into a Senate Health and Welfare Committee bill (SB 716) called the Comprehensive Health Services Act of 1979. SB 716 goes beyond revamping Medi-Cal and provides for restructuring county health systems as well. Regarding Medi-Cal, one of the first things SB 716 does is to throw out the concept of mainstream medicine, which has been the basis for the Medi-Cal program up until now.

The original concept behind Medi-Cal was to do away with what had become a separate system of health care for the poor. Before Medi-Cal, the poor were forced to go to county hospitals and clinics, often considered "second-class" health care providers. Theoretically, under Medi-Cal, a patient would be free to go to any doctor, hospital or clinic, and the provider would be reimbursed by the state. This was heralded as bringing the poor into the mainstream of medical care. It was meant to assure them equal access to the same quality of care available to the general public.

But Medi-Cal hasn't worked out that way. In fact, Medi-Cal patients usually don't have the freedom to choose their

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medical care, because many hospitals and doctors refuse to treat them. Many providers say low reimbursement (roughly 55 percent of what they charge other patients) and mountains of paper work have driven them from the program. According to Department of Health Services figures, 7 percent of the state's primary-care physicians and clinics treat 60 percent of the state's Medi-Cal patients. And 60 percent of the primary-care providers treat fewer than 10 Medi-Cal patients per month. The picture for hospitals is similar: out of about 600 licensed acute-care hospitals, 28 provide about half the state's Medi-Cal hospital services. In effect, a separate system of health care for the poor still exists. But because it is not a planned system, it is inefficient, expensive and difficult to administer.

Abandoning the myth

Under the provisions of SB 716, the state would abandon the myth that it is providing mainstream medicine to the poor. "Mainstreaming is a wish and a hope and a promise that doesn't exist," says Senate Health and Welfare Chairman John Garamendi. Instead of working for mainstream medicine, Garamendi says, the bill tries to design a Medi-Cal plan to ensure that services are available to people who need them, while providing for fiscal control.

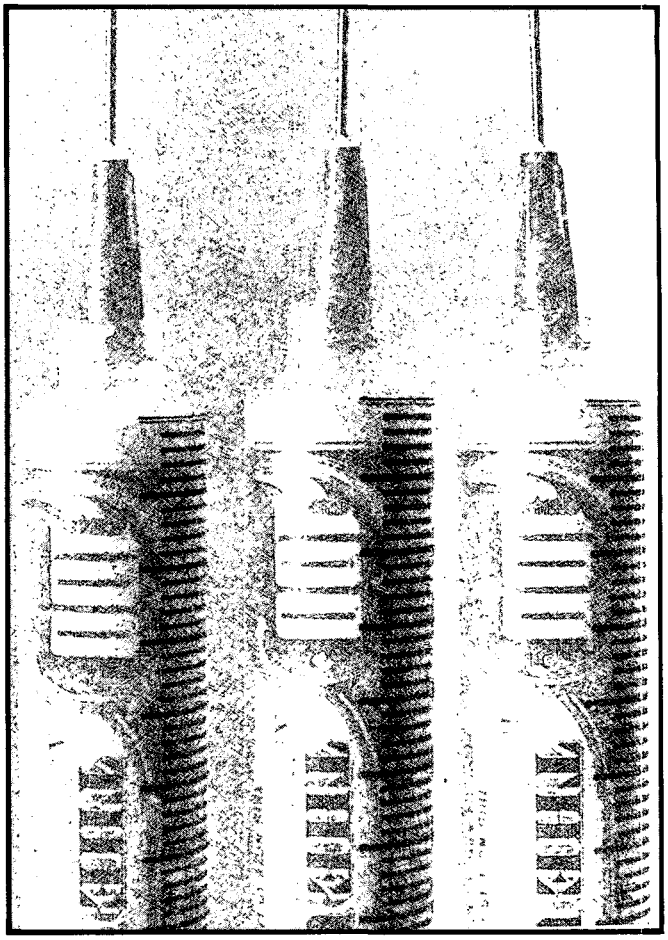
Here is what SB 716 would do:

- The number of hospitals participating in Medi-Cal would be reduced. Hospitals would be chosen to serve on the basis of how well they could meet the needs of the Medi-Cal program, including geographical considerations. Those hospitals selected would enter into contracts with the state, spelling out the terms and conditions of Medi-Cal participation. If terms of the agreement were violated, providers could be suspended from participation almost immediately. (Under the current system, it can take years to remove doctors and hospitals guilty of fraud or abuse.) By dealing with fewer hospitals, the state can reduce administrative and monitoring costs.
- The state would be allowed to contract with doctors, hospitals and other providers, to deliver services to a certain number of Medi-Cal beneficiaries at a certain rate of reimbursement. The contracts would include financial risk-sharing between the providers and the state.
- Also in SB 716 are provisions for fostering different ways of financing and delivering health care services to Medi-Cal clients, such as prepaid health plans, community clinics and hospital-based primary-care systems. There are also specific cost-cutting measures such as volume purchase of drugs, eye glasses and hearing aids, and the designation of regional laboratories to do routine Medi-Cal lab work on a volume basis.

Grasping control

Garamendi says it's impossible to say exactly how much money the plan would save the state. "This proposal isn't geared toward saving a specific dollar amount," he says. "It's geared toward giving us a means of grasping control of a system that's eating up money." Staff members who drafted the legislation see it as leading the way to a health care structure that is organized, with incentives for economy and efficiency.

But proposed changes will not sail through the Legislature without a fight. For starters, proponents will be bucking the powerful California Medical Association and the California Hospital Association, whose lobbying efforts have helped kill unfavorable legislation in the past. It's not that the CMA and CHA like the current Medi-Cal system — they don't. They regard it as a bureaucratic nightmare that punishes doctors with low reimbursement, complicated regulations and poor billing procedures. But they are reluctant to turn over control of the health care delivery system



to the government, which they believe this proposal would do.

At this year's CMA convention in March, delegates voted to support a series of Medi-Cal recommendations that run contrary to the spirit of SB 716. Among them: to oppose limiting the number of hospitals and laboratories participating in Medi-Cal; to oppose the push for prepaid health plans and other organized health care systems over the present fee-for-service method; to oppose any hospital cost ceilings or maximum provider rates. The delegates also voted to continue to seek Medi-Cal reimbursement rates that include an annual inflation factor (the current ones do not).

According to CMA staff, the organization is against any deviation from the concept of mainstream medical care. A CMA policy statement reads: "CMA is unalterably opposed to any program change which coerces clients to seek treatment by physicians in specific practice mechanisms, or which discriminate against patients or physicians in any manner, including the opportunity to establish and maintain a physician-patient relationship."

Other objections are likely to come from pharmaceutical manufacturers which have helped kill volume-drug purchase legislation in the past, and private laboratories which would lose business if the state limited its business to regional labs. Another possible flank of opposition to SB 716 might come from members of the minority caucuses. A lot will depend on how the details of the bill are hammered out in committee. According to Democratic Assemblyman Art Torres of Los Angeles, chairman of the Assembly Health Committee, there is concern that limiting providers could result in cutting back the poor's access to health care. "Just because you have more controls on providers doesn't necessarily mean you'll get improved quality or accessibility,"

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says Torres. 'In all the pressure to cut costs, we've got to make sure there's not blind cutting of services to the poor. People denied health care now will become a burden later on."

In the hopper

SB 716 is not the only Medi-Cal reform in the hopper. Republican Assemblyman William J. Filante, the Legislature's only physician member, has introduced another bill which has received "support in principle" from the CMA. Filante says he introduced his measure because "I feel someone has to prove there is an alternative to the dangerous, anti-poor proposals being pushed by the Department of Health Services and the Brown Administration." Filante's plan calls for the state to phase out the existing Medi-Cal system by 1981 and replace it with a system which would be state-financed but administered through the private sector.

Under Filante's bill, the state would contract with private insurance companies, provider organizations and health care service plans to provide Medi-Cal benefits on a prospective, at-risk basis. He says this would be "effectively providing group health insurance for 3 million people." He points out that the cost of the Medi-Cal system works out to roughly $1,300 per year per Medi-Cal beneficiary. "That is far, far more than the average Californian pays for equivalent private health insurance coverage," says Filante, "and a clear indication of how much the system could be improved under my proposal."

There are a number of other bills under consideration that touch on aspects of Medi-Cal services, but these two are the only major overhauls being offered.

While disagreement will continue over how Medi-Cal should be reformed, there is general agreement in the Legislature that the current system is intolerable and that something must be done to change it. As each day of delay passes, another $11 million of taxpayers' money gets sucked into a system that seems to have no limit to its voracious appetite.

California CAPSULES

Republicans win two special elections with Royer, Speraw

Republicans captured the Congressional seat of the late Leo Ryan, a Democrat, and retained the state Senate seat formerly held by Attorney General George Deukmejian of Long Beach. In a runoff election April 3rd, San Mateo County supervisor Bill Royer, a real estate developer, defeated Democrat Joe Holsinger, aide to Ryan, 52,494 to 37,566. On April 17th, real estate executive Ollie Speraw defeated former City Councilwoman Renee Simon of Long Beach for the Senate seat, 36,361 to 27,047.

Another special election will be held May 22nd to fill the vacancy caused by the resignation of state Senator George Zenovich, who was named to the appellate court in Fresno. The leading contenders are Republican Ken Maddy, a former Fresno assemblyman, and Assemblyman John Thurman, a Modesto Democrat. Maddy was certified for the ballot despite the fact that he lived out of the district during part of the past year. Republican Ed York and Democrat Joash Paul have also entered the race.

Brown asks NRC to close Rancho Seco on temporary basis

Governor Brown asked the federal Nuclear Regulatory Commission to shut down the Rancho Seco nuclear power plant near Sacramento on a temporary basis. Rancho Seco is a near twin of the disabled Three Mile Island plant in Pennsylvania. "Prudence dictates closing of the Rancho Seco facility until the causes of the Three Mile Island incident are satisfactorily identified," Brown wired the NRC. The commission declined, and the directors of the Sacramento Municipal Utility District voted 3-2 to keep the plant in operation. In another energy development, Shell Oil and Atlantic Richfield received final permission to build a supertanker facility at Long Beach. It would handle about as much crude oil as the proposed Sohio terminal, which apparently will not be built.

Prison guards stage 'sickout' over salary demands

Guards and counselors at state prisons and Youth Authority institutions staged a 72-hour "sickout" starting April 8th to press their demands for pay parity with the California Highway Patrol. The absenteeism rate varied tremendously from prison to prison, ranging roughly from 10 to 75 percent. The California State Employee Association said the unprecendented move was taken to dramatize the need for a 13.5 percent pay raise that would bring guards to the range of highway patrolmen ($1,376 to $1,572 a month, depending on experience). Lieutenant Governor Mike Curb, acting governor at the time, met with employee representatives in an effort to keep the situation calm, but he emphasized that he was opposed to the walkout.

Jarvis announces plan for initiative cutting income taxes

Howard Jarvis, lead author of Proposition 13, announced in Sacramento April 16th that he would launch a new initiative campaign to cut state taxes. Jarvis said he intends to put a measure on the June 1980 ballot to cut personal income tax rates in half, institute full indexing (tagging rates to inflation), eliminate the business inventory tax and freeze the sales tax. He has not yet filed petitions with the secretary of state's office. Secretary of State March Fong Eu reported that an initiative aimed at cracking down on the employment of illegal aliens has been cleared for circulation. The proposal, sponsored by Jack Kimbrough and James Heads Jr. of Los Angeles, requires that employers obtain proof that their employees have permits to work in the state.

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Stopping the bus

Senator Alan Robbins of the San Fernando Valley has finally succeeded in getting an anti-busing measure through the state Legislature. Now, all he has to do is find a way to get his proposal before the voters in time to prevent a second year of wholesale busing of students in the Los Angeles school district.

At the end of March, the Senate cleared Robbins' anti-busing plan for the ballot by a vote of 28-6. Under normal rules, the voters would accept or reject his proposed constitutional amendment on the June 1980 ballot. But Robbins wants the vote as early as possible to halt the busing operation before school starts next September.

He has been unable to move his companion special-election bill through the Legislature fast enough to guarantee an August 28th vote on the busing measure and the "Spirit of 13" spending-limitation initiative sponsored by Paul Gann of Proposition 13 fame. His back-up position is a special election in November of 1979 — too late to prevent start of a second year of busing but early enough to halt buses in mid-year — if the measure does what Robbins says it does.

The proposition would require the state to follow federal law in desegregation cases. Robbins believes this would halt the Los Angeles program. But others claim that state courts have already found evidence of *de jure* segregation (caused by government action) in Los Angeles, and that the federal test would thus be met.

With Governor Brown out of state in early April, Lieutenant Governor Mike Curb moved to call the special election in August. But he was thwarted by the secretary of state's office, which cited laws indicating that a special election cannot be called until late May or early June. Curb indicated that he might employ his powers as acting governor at that time to call a special election — if Brown is out of state.

The Governor came under attack from black legislators who were angered that he left the state before determining that a special election could not be called by Curb. Senator Bill Greene said Brown may even want Curb to act so that the politically dangerous busing issue is not on the June ballot next year, when Brown will presumably be running for president. Brown also is under pressure to call a special election.

The cost of a special election would be $12 million, and Robbins claims that much more than that would be saved by ending the busing program in Los Angeles.

On the fiscal front, Assembly Speaker Leo T. McCarthy and Republican leader Paul Priolo appeared to be joining forces on a permanent Proposition 13 bailout plan that would finance schools through the sales tax and other elements of local government through the property tax. Governor Brown has proposed a significantly different solution.

Senate (25D, 14R)	SB 186 SCA 2 SB 349 SCA 4		SB 186 SCA 2 SB 349 SCA 4		SB 186 SCA 2 SB 349 SCA 4		SB 186 SCA 2 SB 349 SCA 4
Alquist (D)	* Y Y *	Garamendi (D)	N Y Y Y	Nejedly (R)	* * * Y	Russell (R)	Y Y Y Y
Ayala (D)	Y * * *	Garcia, A. (D)	N Y Y Y	Nielsen (R)	Y Y Y Y	Schmitz (R)	Y Y N Y
Beverly (R)	Y Y Y *	Garcia, M. (R)	Y Y Y Y	Nimmo (R)	Y Y Y Y	Sieroty (D)	N N * *
Briggs (R)	Y Y N Y	Greene (D)	N N Y *	Petris (D)	N N Y Y	Smith (D)	N Y * Y
Campbell (R)	Y Y * *	Holmdahl (D)	Y Y Y *	Presley (D)	N Y Y Y	Stiern (D)	N Y * Y
Carpenter (D)	Y Y Y Y	Johnson (R)	Y Y Y Y	Rains (D)	N Y Y Y	Vuich (D)	Y Y Y Y
Craven (R)	Y Y Y Y	Keene (D)	N Y Y Y	Richardson (R)	Y * N Y	Watson (D)	N N Y *
Cusanovich (R)	Y Y Y Y	Marks (R)	* N Y Y	Robbins (D)	Y Y * *	Wilson (D)	Y Y Y Y
Dills (D)	N Y Y Y	Mills (D)	N * Y Y	Roberti (D)	N N N Y		
Foran (D)	N Y Y *	Montoya (D)	N Y Y *	Rodda (D)	N Y * Y		

Senate

EDUCATION

SB 186 (Rodda) — Appropriates $5 billion to local government to replace lost Proposition 13 revenues. Amendment by Senator Alan Robbins to appropriate $12 million to pay for special election August 28th on propositions designed to limit school busing and government spending. Amendment passed 18-17.

SCA 2 (Robbins) — Proposed constitutional amendment to prohibit state courts from requiring busing for school desegregation purposes except where required by federal law. Approved 28-6.

MISCELLANEOUS

SB 349 (Foran) — Allows certain low-rent housing projects to be constructed without voter approval. Passed 26-4.

SCA 4 (Carpenter) — Proposed constitutional amendment authorizing the Legislature to invalidate proposed state agency regulations. Passed 27-0.

Assembly

BUSINESS AND PROFESSIONS

AB 46 (McCarthy) — Abolishes 10 state advisory commissions and phases out 20 regulatory boards. Passed 64-7.

AB 382 (Young) — Grants immunity from injury suit for manufacturer or seller of product made in conformity with scientific knowledge in existence at the time the product was sold. Passed 56-20.

AB 580 (Papan) — Prohibits banks from selling most forms of insurance. Passed 60-5.

EDUCATION

AB 403 (Greene) — Repeals law allowing school districts to use special reserves for general expenses. Failed 18-54.

AB 454 (Mangers) — Authorizes school districts to hire as athletic coaches individuals without regular teaching credentials. Passed 45-31.

SCA 2 (Robbins) — Proposed constitutional amendment prohibiting state courts from requiring busing to desegregate schools except where required by federal law. Passed 62-17.

MISCELLANEOUS

AB 241 (Rosenthal) — Appropriates $50,000 for research on the medical uses of marijuana. Failed 42-32 (54 votes required).

AB 433 (Robinson) — Prohibits former em-

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VOTING RECORDS

Listed here are the votes of legislators on recent major roll calls through mid-April. Votes selected involve issues of major importance and issues on which there was a major division of opinion, or both.

Y - Yes **N - No**
*** — Absent or not voting**

A ⅔ vote is required for urgency measures, constitutional amendments, and appropriations.

Assembly: 41 votes required for passage of bills needing a simple majority. (⅔ = 54 votes)

Senate: 21 votes required for passage of bills needing a simple majority. (⅔ = 27 votes)

Assembly (50D, 30R)	AB 46	AB 382	AB 580	AB 403	AB 454	SCA 2	AB 241	AB 433	AB 437	AJR 4
Agnos (D)	Y	N	Y	N	N	N	Y	Y	Y	Y
Alatorre (D)	Y	N	Y	*	N	Y	Y	Y	N	Y
Bane (D)	Y	Y	*	N	Y	Y	*	Y	Y	Y
Bannai (R)	Y	Y	*	N	N	Y	N	*	N	N
Bates (D)	Y	*	Y	Y	Y	N	Y	Y	Y	Y
Bergeson (R)	N	Y	N	N	Y	Y	N	N	N	N
Berman (D)	Y	N	Y	N	N	Y	Y	Y	Y	Y
Boatwright (D)	Y	N	Y	*	*	Y	Y	Y	N	Y
Bosco (D)	Y	Y	Y	N	Y	Y	Y	N	N	N
Brown, D. (R)	Y	Y	*	N	N	Y	N	N	*	N
Brown, W. (D)	Y	N	N	N	N	N	Y	N	Y	Y
Calvo (D)	Y	Y	Y	N	Y	Y	Y	Y	Y	Y
Chacon (D)	Y	Y	Y	*	*	N	Y	N	Y	Y
Chappie (R)	Y	Y	*	*	*	Y	N	*	*	N
Cline (R)	Y	Y	Y	N	N	Y	N	N	N	Y
Costa (D)	Y	Y	Y	Y	Y	Y	Y	N	Y	Y
Deddeh (D)	Y	Y	Y	N	N	Y	*	Y	Y	Y
Duffy (R)	Y	Y	*	N	N	Y	N	*	N	N
Egeland (D)	*	N	*	N	Y	Y	Y	Y	Y	Y
Elder (D)	Y	Y	Y	N	Y	Y	Y	Y	N	N
Ellis (R)	Y	Y	Y	N	Y	N	N	Y	N	Y
Felando (R)	Y	Y	Y	N	N	N	N	N	N	N
Fenton (D)	Y	Y	N	N	Y	Y	*	Y	Y	Y
Filante (R)	Y	Y	*	N	Y	N	*	Y	N	N
Frazee (R)	Y	Y	Y	N	Y	N	N	Y	N	N
Gage (D)	Y	Y	Y	N	Y	N	Y	Y	Y	Y
Goggin (D)	Y	N	Y	*	N	Y	Y	N	N	N
Greene (D)	*	Y	*	Y	Y	N	*	Y	N	Y
Hallett (R)	Y	Y	Y	N	Y	Y	N	N	N	N
Hannigan (D)	N	Y	Y	Y	Y	N	Y	Y	Y	Y
Harris (D)	Y	N	Y	N	N	Y	N	Y	Y	Y
Hart (D)	*	N	*	N	Y	Y	Y	Y	*	Y
Hayden (R)	Y	Y	Y	N	Y	N	N	N	N	N
Hayes (R)	N	Y	Y	Y	Y	N	N	N	N	N
Hughes (D)	Y	*	*	Y	N	*	Y	Y	Y	Y
Imbrecht (R)	Y	Y	Y	N	Y	Y	Y	N	N	Y
Ingalls (D)	N	N	Y	N	Y	Y	Y	Y	Y	Y
Ivers (R)	N	Y	Y	N	Y	N	N	N	Y	Y
Johnson (R)	Y	Y	Y	N	Y	N	*	Y	N	N
Kapiloff (D)	Y	N	*	N	Y	N	Y	N	N	N
Kelley (R)	Y	Y	Y	N	Y	Y	N	N	N	N
Knox (D)	Y	N	Y	N	N	N	Y	Y	Y	Y
Lancaster (R)	Y	Y	Y	Y	N	Y	N	N	N	N
Lehman (D)	Y	Y	*	N	Y	Y	Y	Y	Y	Y
Leonard (R)	Y	Y	Y	N	Y	N	N	Y	Y	Y
Levine (D)	Y	N	Y	*	N	Y	Y	Y	Y	Y
Lockyer (D)	Y	Y	*	Y	Y	N	Y	Y	Y	Y
Mangers (D)	Y	Y	Y	N	Y	Y	*	N	Y	Y
McAlister (D)	Y	Y	N	Y	Y	Y	N	Y	Y	N
McCarthy (D)	Y	*	Y	Y	Y	Y	Y	Y	*	Y
McVittie (D)	*	N	N	N	N	Y	Y	*	Y	Y
Mello (D)	Y	Y	Y	N	N	Y	Y	Y	Y	Y
Moore (D)	Y	N	Y	N	N	N	*	*	Y	Y
Moorhead (R)	Y	Y	Y	N	Y	Y	N	N	*	N
Mori (D)	Y	Y	Y	*	N	N	N	Y	Y	Y
Mountjoy (R)	*	Y	*	N	Y	Y	N	N	*	N
Naylor (R)	Y	Y	Y	N	N	Y	N	N	N	N
Nestande (R)	Y	Y	Y	N	N	Y	N	N	N	N
Nolan (R)	*	Y	Y	N	Y	Y	N	N	N	N
Papan (D)	Y	*	Y	Y	Y	N	Y	Y	Y	Y
Perino (D)	Y	Y	Y	Y	N	Y	N	Y	N	Y
Priolo (R)	Y	Y	Y	N	N	N	N	N	N	N
Robinson (D)	Y	Y	Y	N	N	Y	Y	Y	Y	Y
Rogers (R)	N	Y	Y	N	Y	N	N	Y	N	N
Roos (D)	Y	Y	Y	*	Y	N	Y	Y	Y	Y
Rosenthal (D)	Y	N	*	Y	N	Y	Y	Y	Y	Y
Ryan (R)	Y	Y	Y	N	N	N	N	N	N	N
Statham (R)	Y	Y	Y	N	Y	Y	Y	Y	Y	Y
Stirling (R)	Y	Y	Y	N	Y	N	N	N	N	N
Tanner (D)	Y	Y	Y	Y	Y	N	Y	Y	Y	Y
Thurman (D)	Y	Y	Y	N	Y	Y	Y	N	Y	Y
Torres (D)	*	N	Y	*	*	Y	Y	Y	Y	Y
Tucker (D)	*	N	Y	Y	N	Y	N	Y	N	Y
Vasconcellos (D)	*	N	N	N	N	Y	*	Y	*	Y
Vicencia (D)	Y	Y	Y	N	Y	Y	Y	Y	Y	Y
Waters, M. (D)	N	N	Y	Y	N	Y	Y	N	Y	Y
Waters, N. (D)	Y	Y	Y	N	Y	Y	Y	Y	Y	Y
Wray (D)	Y	Y	Y	N	Y	Y	Y	Y	Y	Y
Wyman (R)	Y	Y	Y	N	Y	N	N	N	N	N
Young (D)	Y	N	*	N	Y	N	Y	N	N	N

ployees of the auditor general from divulging information on the audit of state agencies. Passed 46-24.

AB 437 (McAlister) — Requires courts, in awarding spousal support, to consider impairment of wife's employability while serving as homemaker over a period of years. Passed 48-27.

AJR 4 (Maxine Waters) — Ratifies proposed amendment to United States Constitution granting District of Columbia representation in Congress. Adopted 46-32.

ROSTRUM

Spurious charges

Connie Kang's diatribe against Chief Justice Bird in your April issue is nothing more than a rehash of the spurious charges made by the "No On Bird" campaign during the last election. The quality of your *Journal* was considerably lowered by stooping to reprint that nonsense.

Those of us who know the chief justice know her to be incorruptibly honest, immensely talented and completely dedicated to improving the system of justice and serving the public. She has already begun to make a great record and is going to go down in history as one of California's finest chief justices despite the opposition of the same law-and-order, right-wing element that attacked Earl Warren.

SHELDON PORTMAN
Public Defender,
Santa Clara County

Selected Government Reports

Stepping Stones: Appropriate Technology and Beyond, edited by Lane de Moll and Gigi Coe; published by Schocker Books, Inc. 1978. Quotes and articles by authorities, including Margaret Mead, emphasizing energy self-reliance. 204 pp., indexed, illustrated. Available from the publisher, 200 Madison Ave., New York, N.Y. 10016. ($7.95 paper, $14.50 hardcover.)

California in the Reagan Years: Trends in the Economy and Public Service, by Richard W. Gable for the Institute of Governmental Affairs, UC Davis. 1979. 51 pp. with statistical tables. Available from the Institute, University of California, Davis, CA 95616. ($3.50 payable to The Regents of the University of California.)

Local Government Planning Survey 1977, prepared by the state Office of Planning and Research, financed in part by the U.S. Department of Housing and Urban Development. 1978. Annual report of cities and counties on their previous year's planning activities. 21 pp. including statistical tables. Available as No. 0031-0019-5 from General Services, Publications Section, P.O. Box 1015, North Highlands, CA 95660. ($1.15 payable to State of California.)

Unemployment Insurance: Financing Increased Benefits Through Eligibility Reforms; a reprint from *Cal-Tax News* of February 1-14, 1979. Explains Assembly Bill 325 (McAlister) designed to reform the system. Further information and a 27-page research bulletin are available from California Taxpayers' Association, 921 Eleventh St., Suite 800, Sacramento, CA 95814.

California Occupational Safety and Health Act — A Program Review, a report to the Legislature by the Joint Legislative Audit Committee. 1979. 99 pp. Available from the committee, Suite 750, 925 L St., Sacramento, CA 95814.

Political Finance, edited by Herbert E. Alexander, published by SAGE Publications, Inc., Beverly Hills and London. 1979. Essays on election reform and its effects on the political climate and electoral process. 272 pp. Available from the publisher, 275 So. Beverly Drive, Beverly Hills, CA 90212.

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CHARTING THE LEGISLATURE

The following is a list of significant bills pending before the Legislature on April 16th.

SUBJECT	BILLS	DESCRIPTION	STATUS
ATTORNEYS	SB 1089 (Wilson) SB 1031 (Smith) AB 1780 (Chappie)	SB 1089 reduces the maximum State Bar dues payable by attorneys from $135 to $50 annually, reduces the Bar's annual budget, curtails certain Bar functions, and transfers attorney disciplinary proceedings to the Office of Administrative Hearings. SB 1031 changes the amount of annual State Bar dues paid by attorneys to an unspecified amount. AB 1780 repeals the Bar's statutory authority for engaging in a broad range of professional and public policy activities.	*SB 1089 is in the Senate Judiciary Committee. SB 1031, as a spot bill, is in the Senate Rules Committee pending amendment. AB 1780 is in the Assembly Judiciary Committee.*
BUSING	SCA 2 (Robbins) SB 217 (Robbins)	SCA 2 would amend the state constitution to prohibit courts from requiring busing to desegregate schools except to correct intentional acts of segregation. SB 217 would call a special statewide election August 28th, 1979, to vote on SCA 2 and the Gann government spending limitation initiative.	*Legislature adopted SCA 2. To be submitted to voters. SB 217 is on the Senate floor.*
HEALTH CARE	SB 716 (Garamendi) AB 1487 (Filante)	SB 716 substantially revises the state's Medi-Cal program. AB 1487 would replace the existing Medi-Cal program with an alternative system by 1981.	*SB 716 is in the Senate Health and Welfare Committee. AB 1487 is in the Assembly Health Committee.*
HOUSING	AB 224 (Berman) SB 440 (Roberti)	AB 224 prohibits discrimination against students and SB 440 prohibits discrimination against persons with children in the sale or rental of housing accommodations.	*Both measures are pending in the Senate Local Government Committee.*
JUDICIARY	SCA 23 (Nielsen) ACA 35 (McAlister) AB 1740 (Nestande)	The two constitutional amendments would limit the authority of the chief justice to assign judges and transfer duties relating to the assignment of appellate justices to the Judicial Council. AB 1740 provides that justices of the Supreme Court and courts of Appeal shall not receive their salaries if cases are not decided within 90 days after oral arguments have been heard.	*SCA 23 is in the Senate Judiciary Committee. ACA 35 and AB 1740 are in the Assembly Judiciary Committee.*
LIQUOR LIABILITY	AB 819 (W. Brown)	Repeals civil immunity granted to bartenders and bar owners who serve alcohol to obviously intoxicated persons who subsequently injure a third party.	*Assembly Judiciary Committee.*
LOCAL GOVERNMENT FUNDING	SB 1050 (Holmdahl)	Governor's permanent local government financing proposal for the 1980-81 fiscal year and years thereafter.	*Senate Finance Committee.*
NUCLEAR POWER	SJR 16 (Keene) ACR 41 (Mountjoy) AB 1621 (Felando) AB 1270 (Mountjoy)	SJR 16 asks Congress to repeal liability limit of $650 million per nuclear accident. ACR 41 asks the state not to appeal the recent federal court decision that California's laws regulating nuclear power plants are pre-empted by federal law. AB 1621 abolishes the state Energy Commission and transfers its functions relating to power plant approval to the Public Utilities Commission. AB 1270 repeals law requiring the existence of a safe means of disposing of nuclear waste before nuclear power plants may be constructed.	*SJR 16 is in the Senate Rules Committee. The Assembly measures are pending in the Resources, Land Use and Energy Committee.*
PROSTITUTION	AB 1562-1563 (Greene)	Provides for the licensing of prostitutes by the Department of Health Services and permits cities and counties to adopt ordinances legalizing prostitution.	*Assembly Criminal Justice Committee.*
TRANSPORTATION	AB 1583 (Priolo)	Abolishes bridge tolls.	*Assembly Transportation Committee.*

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By Leo Rennert

The politics of Three Mile Island

It wasn't just the engineers and scientists at the Nuclear Regulatory Commission who were suddenly confronted with a mind-blowing assignment when the Three Mile Island plant began spewing radiation. From President Carter on down, politicians of all stripes and jurisdictions also found themselves drawn into the crisis. At some future time, historians may tell us whether science or government was more impotent in dealing with this harrowing episode.

WHILE THOUSANDS began to flee from Harrisburg and its environs (there also have been reports of people in the nation's capital who decided to put more distance between themselves and the errant plant), the White House opted for its own containment policy. The President was to stay in the background, insulated against any dangerous political fallout. The decision to evacuate pregnant women and pre-school children from the immediate vicinity of the plant was the responsibility of Pennsylvania Governor Richard Thornburgh. Washington would counsel and send help in any way possible, but the feds are all for states' rights when it comes to shouldering the burden of inconveniencing people living in the shadow of a nuclear plant.

Even when the U.S. Nuclear Regulatory Commission had no choice but to take over the job of controlling the superhot reactor, Carter was kept at a discreet distance. Most interestingly, it turns out that two of the commission's principal contacts with the White House were the President's top flacks — Jody Powell and Gerald Rafshoon. During the initial days of almost total bewilderment, signals changed as often at 1600 Pennsylvania Avenue as over at the commission. The White House, not knowing how bad the accident might turn out to be, set out to build a political shield around the President. At first, it seemed Carter would stay safely in Washington while other federal officials rushed to the scene.

But as the crisis progressed, Carter found it impossible to remain holed up in the White House. The President and his advisers finally decided that a reassuring appearance at the Three Mile Island control room was in order. The presidency may have been devalued in recent years but in moments of great national stress, people still demand salvation from the White House. In Carter's case, he also had to think of his image as a can-do nuclear engineer. The President made the obligatory trip to Harrisburg — whatever the personal and political safety risks were at the moment, and there were some.

As the reactor took a turn for the better, Washington reverted to the classic pattern of handling a major upheaval. On Capitol Hill, congressional committees began to elbow each other for a chance to conduct televised hearings and investigations. The White House pulled out that other time-worn chestnut — a blue-ribbon presidential commission to look into the accident. While the commission has some able members, it's not being taken seriously. The clear lesson of past presidential commissions is that they have no lasting impact. At best, they are a short-term palliative. This one seems to have outlived its usefulness almost from the moment of creation. In terms of what happens next on the nuclear front, attention is focused elsewhere.

Carter has reaffirmed his commitment to nuclear power as an essential part of the nation's energy mix — particularly at a time when access to foreign oil is becoming more tenuous. Energy Secretary James Schlesinger still is pushing legislation to shorten the siting and permit process for new nuclear plants. The administration's watchword remains pro-nuclear — with whatever additional safeguards are required. Politically, this allows Carter to neutralize the pro-nuclear stance of practically all contenders in the GOP presidential field. It also affords him an opportunity to preempt the middle ground of lukewarm supporters of nuclear power who are willing to give it another try — assuming Three Mile Island hasn't totally polarized the country.

Which brings us to Jerry Brown. If he's still a solid presidential prospect after his New Hampshire pratfall and African safari, Brown might play Three Mile Island to his advantage. As a long-time nuclear critic and solar-power enthusiast, the Governor would seem to have the credentials to seize the reins of an anti-nuclear movement inflamed by the experience at Three Mile Island. Such a role could help him assuage disaffection on the left caused by his constitutional push for a balanced federal budget.

Yet, Brown also was walking on eggs during the first days of the crisis. True, he recommended a precautionary shutdown of the Rancho Seco plant near Sacramento, which has the same reactor design as Three Mile Island. But his lieutenants, aware of the political risks, were quick to point out this wouldn't create a brownout or blackout in the state capital — at least for a while. And when Washington and the local utility turned him down, the Governor took off for Africa — hardly an inspiring move if people in Sacramento really were in danger. Richard Pollock, who heads Ralph Nader's anti-nuclear crusade, said Brown's departure for the African wilds was like "Nero fiddling while Rome burns."

THE INITIAL reaction to Brown from anti-nuclear activists on both coasts was almost uniformly hostile. He angered members of the Clamshell Alliance during his maladroit balanced-budget trip to New Hampshire when he brushed aside their concerns about nuclear power. Distrust is running deep in the anti-nuclear camp, which feels Brown is generous with rhetoric but all too often short on action.

The price the governor will have to pay for 1980 presidential support from nuclear opponents has risen sharply. Nothing short of preventing the opening of Diablo Canyon near San Luis Obispo and an ironclad commitment for a total national phaseout of nuclear power will suffice. If Brown is unwilling to go that far, or fails to deliver, he could end up without any troops at all — pro or con — on the nuclear battlefield.

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There are no other ways of governing men; one either lures them forward by hope of gain and selfish betterment, or one drives them forward by bayonet, club and fear of the knucklebreakers.

— Theodore H. White

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